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SENATE BILL 5573

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State of Washington

54th Legislature

1995 Regular Session

By Senators Hochstatter, Moyer and Wood

Read first time 01/26/95. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to job placement for recipients of aid to families  
2 with dependent children; amending RCW 74.25.010 and 74.25.020; adding  
3 a new section to chapter 74.12 RCW; adding new sections to chapter  
4 74.25 RCW; creating a new section; providing an effective date;  
5 providing a contingent expiration date; and declaring an emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 74.25.010 and 1994 c 299 s 6 are each amended to read  
8 as follows:

9 The legislature establishes as state policy the goal of economic  
10 self-sufficiency for employable recipients of public assistance,  
11 through employment, training, and education. In furtherance of this  
12 policy, the legislature intends to comply with the requirements of the  
13 federal social security act, as amended, by creating a job  
14 opportunities and basic skills training program for applicants and  
15 recipients of aid to families with dependent children. ((The purpose  
16 of this program is to provide recipients of aid to families with  
17 dependent children the opportunity to obtain appropriate education,  
18 training, skills, and supportive services, including child care,  
19 consistent with their needs, that will help them enter or reenter

1 ~~gainful employment, thereby avoiding long term welfare dependence and~~  
2 ~~achieving economic self-sufficiency.))~~ The job opportunities and basic  
3 skills training program shall provide employment and training and  
4 education support services to assist recipients under chapter 74.04 RCW  
5 to obtain employment. The program shall be operated by the department  
6 of social and health services in conformance with federal law ((and  
7 ~~consistent with the following legislative findings:))~~.

8 (1) The legislature finds that the well-being of children depends  
9 ((~~not only on meeting their material needs, but also~~)) on the ability  
10 of parents to become economically self-sufficient. It is in this way  
11 that the material needs of children can best be met. The job  
12 opportunities and basic skills training program is specifically  
13 directed at increasing the labor force participation and household  
14 earnings of aid to families with dependent children recipients, through  
15 the removal of barriers preventing them from achieving self-  
16 sufficiency. ((~~These barriers include, but are not limited to, the~~  
17 ~~lack of recent work experience, supportive services such as affordable~~  
18 ~~and reliable child care, adequate transportation, appropriate~~  
19 ~~counseling, and necessary job-related tools, equipment, books,~~  
20 ~~clothing, and supplies, the absence of basic literacy skills, the lack~~  
21 ~~of educational attainment sufficient to meet labor market demands for~~  
22 ~~career employees, and the nonavailability of useful labor market~~  
23 ~~assessments.))~~

24 (2) The legislature ((~~also~~)) recognizes that aid to families with  
25 dependent children recipients ((~~must be acknowledged as active~~)) are  
26 participants in self-sufficiency planning under the program. The  
27 legislature finds that the department of social and health services  
28 should communicate concepts of the importance of work and how  
29 performance and effort directly affect future career and educational  
30 opportunities and economic well-being, as well as personal empowerment,  
31 self-motivation, and self-esteem to program participants. The  
32 legislature further recognizes that informed choice is consistent with  
33 individual responsibility, and that parents should be given a range of  
34 options for available child care while participating in the program.

35 (3) The legislature finds that current work experience is one of  
36 the most important factors influencing an individual's ability to work  
37 toward financial stability and an adequate standard of living in the  
38 long term, and that work experience should be the most important  
39 component of the program.

1 (4) The legislature finds that education, including, but not  
2 limited to, literacy, high school equivalency, vocational, secondary,  
3 and postsecondary, is one of the most important tools an individual  
4 needs to achieve full independence, and that this should be an  
5 important component of the program.

6 (5) The legislature further finds that the objectives of this  
7 program are to assure that aid to families with dependent children  
8 recipients gain experience in the labor force and thereby enhance their  
9 long-term ability to achieve financial stability and an adequate  
10 standard of living at wages that will meet family needs.

11 (6) All participants in the job opportunities and basic skills  
12 training program, including those participants in the full employment  
13 act, shall sign a written three-year employment development contract of  
14 mutual responsibility with the department, which shall be developed  
15 with the full involvement of the participant.

16 (a) The contract shall set forth the responsibilities of and  
17 expectations for the program participants and responsibilities and  
18 obligation of the department, including services to be provided to the  
19 participating family. The contract shall identify specific employment,  
20 training, education, or support activities that will direct a  
21 participant toward gainful employment and eventually self-sufficiency.  
22 The contract shall be in a format developed for state-wide use, provide  
23 a mechanism for revisions and amendments based on changed  
24 circumstances, and notify participating families of their right to  
25 appeal the contents of the contract and of their other appeal rights  
26 under this chapter. Services required by the contract of mutual  
27 responsibility shall be offered according to the timetable established  
28 in the contract to enable members of the family to achieve self-  
29 sufficiency and to carry out their personal and family  
30 responsibilities.

31 (b) The department shall review the employment development contract  
32 of mutual responsibility every six months and assess participants'  
33 progress. The department shall reduce aid to families with dependent  
34 children benefits by thirty-three percent every six months for those  
35 recipients who are found to be out of compliance with the contract  
36 based on the assessment.

37 (c) The department may require persons to obtain substance or  
38 alcohol abuse treatment before referral for employment. Unwillingness

1 to cooperate with treatment is deemed noncompliance with the job  
2 opportunities and basic skills training program.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 74.12 RCW  
4 to read as follows:

5 Within one year after the effective date of this section, all  
6 applicants and recipients of aid to families with dependent children  
7 shall participate in the job opportunities and basic skills training  
8 program or no longer be eligible for benefits under this chapter.

9 NEW SECTION. **Sec. 3.** Within one year after the effective date of  
10 this section, all applicants and recipients under this chapter shall  
11 participate in the job opportunities and basic skills training program  
12 or no longer be eligible for benefits under chapter 74.12 RCW.

13 **Sec. 4.** RCW 74.25.020 and 1993 c 312 s 7 are each amended to read  
14 as follows:

15 (1) The department of social and health services (~~((is authorized~~  
16 ~~to)) shall contract ((with public and private employment and training~~  
17 ~~agencies and other public service entities to provide services~~  
18 ~~prescribed or allowed under the federal social security act, as~~  
19 ~~amended, to carry out the purposes of the jobs training program)) at~~  
20 least fifty percent of the job training, job finding, and job matching  
21 leading to independent employment with private nonprofit community  
22 action agencies, nonprofit local community organizations, and other  
23 organizations with experience and abilities in meeting the employment  
24 needs of individuals receiving public assistance and services required  
25 or allowed under the federal social security act. The contracts shall  
26 be performance based. The department of social and health services has  
27 sole authority and responsibility to carry out the job opportunities  
28 and basic skills training program and establish criteria for contracts  
29 under this subsection. No contracting entity shall have the authority  
30 to review, change, or disapprove any administrative decision, or  
31 otherwise substitute its judgment for that of the department of social  
32 and health services as to the application of policies and rules adopted  
33 by the department of social and health services.

34 (2) (~~To the extent feasible under federal law, the department of~~  
35 ~~social and health services and all entities contracting with it shall~~

1 give first priority of service to individuals volunteering for program  
2 participation.

3 (3) The department of social and health services shall adopt rules  
4 under chapter 34.05 RCW establishing criteria constituting  
5 circumstances of good cause for an individual failing or refusing to  
6 participate in an assigned program component, or failing or refusing to  
7 accept or retain employment. These criteria shall include, but not be  
8 limited to, the following circumstances: (a) If the individual is a  
9 parent or other relative personally providing care for a child under  
10 age six years, and the employment would require the individual to work  
11 more than twenty hours per week; (b) if child care, or day care for an  
12 incapacitated individual living in the same home as a dependent child,  
13 is necessary for an individual to participate or continue participation  
14 in the program or accept employment, and such care is not available,  
15 and the department of social and health services fails to provide such  
16 care; (c) the employment would result in the family of the participant  
17 experiencing a net loss of cash income; or (d) circumstances that are  
18 beyond the control of the individual's household, either on a short-  
19 term or on an ongoing basis.

20 (4)) The department shall comply with federal guidelines with  
21 regard to good cause for an individual failing or refusing to  
22 participate in an assistance program component or failing or refusing  
23 to accept or retain employment. Bearing another child while a  
24 recipient of aid to families with dependent children and participating  
25 in the job opportunities and basic skills training program does not  
26 constitute good cause.

27 (3) The department of social and health services shall adopt rules  
28 under chapter 34.05 RCW as necessary to effectuate the intent and  
29 purpose of this chapter.

30 NEW SECTION. Sec. 5. (1) In administering the job opportunities  
31 and basic skills training program, the department shall ensure that  
32 delivery and coordination of all services are provided through  
33 intensive case management. All program participants shall be referred  
34 to a case manager. The case manager shall fully explain the program to  
35 the participant and shall provide the participant with written  
36 materials explaining the program.

1 (2) Each program participant shall sign a written three-year  
2 employment development contract of mutual responsibility that shall be  
3 developed in accordance with RCW 74.25.010.

4 (3) The secretary, assisted by the director of community, trade,  
5 and economic development and the commissioner of employment security,  
6 shall prepare and maintain an annual plan for coordinating and  
7 integrating all appropriate services in order to promote successful  
8 outcomes. The plan shall encourage the use of local and regional  
9 public and nonprofit service providers and permit a variety of methods  
10 of providing services. Emphasis shall be placed on coordinating and  
11 integrating career counseling, job development, job training and  
12 skills, job placement, and academic and technical education. Public  
13 and private institutions of higher education and other agencies that  
14 offer similar or related services shall be invited to participate as  
15 fully as possible in developing, implementing, and updating the annual  
16 coordination plan.

17 (4) The secretary shall:

18 (a) Increase public awareness of the federal earned income credit  
19 and encourage families who may be eligible to apply for this tax  
20 credit;

21 (b) Pursue aggressive child-support initiatives as established by  
22 the legislature;

23 (c) Work with community providers to develop adoption, education,  
24 family planning, parenting, and training options for program  
25 participants;

26 (d) Provide leadership for the development of community work  
27 experience opportunities;

28 (e) Develop strategies to educate, assist, and stimulate employers  
29 to hire participants and to provide community work experience  
30 opportunities, in consultation with the council, representatives of  
31 employers, and other relevant public and private nonprofit agencies on  
32 the state and local level;

33 (f) Provide technical assistance to local departments of social  
34 services to assist them in working with local nonprofit community  
35 action agencies and nonprofit community organizations with experience  
36 in job training for public assistance recipients in the community to  
37 develop job and community work experience opportunities for  
38 participants.

1        NEW SECTION.     **Sec. 6.**     The department shall report to the  
2 legislature annually on the job opportunities and basic skills training  
3 program. The report shall include, but not be limited to the number of  
4 individuals who have employment in jobs with wages that increase their  
5 family's income above the federal poverty level. The department shall  
6 record the finding from each departmental region and report the  
7 findings to the legislature at the beginning of each biennium.

8        NEW SECTION.     **Sec. 7.**     Unless the context clearly requires  
9 otherwise, the definitions in this section apply throughout sections 7  
10 through 18 of this act.

11        (1) "Council" means the full employment act advisory council  
12 established in section 11 of this act.

13        (2) "Department" means the department of social and health  
14 services.

15        (3) "Participants" means recipients and parents of aid to families  
16 with dependent children and food stamps.

17        (4) "Pilot program" or "program" means the Washington full  
18 employment act pilot program established in section 8 of this act.

19        (5) "Washington full employment act" means the Washington full  
20 employment pilot program established in section 8 of this act.

21        NEW SECTION.     **Sec. 8.**     (1) In establishing and implementing a pilot  
22 program to be known as the Washington full employment act, it is the  
23 intent of the legislature to use the benefits of the job opportunities  
24 and basic skills training program (JOBS) to promote greater economic  
25 self-sufficiency among families and workers by:

26        (a) Requiring all recipients of aid to families with dependent  
27 children, and recipients of food coupons living in the pilot counties  
28 to participate in the program;

29        (b) Increasing the employability of participants who are unemployed  
30 and underemployed workers through on-the-job training;

31        (c) Increasing the ability of the public and private sector to work  
32 together to develop jobs;

33        (d) Ensuring that participants improve their work skills,  
34 education, and employability through worksite training, mentoring, job  
35 placement, and necessary support services that include child care,  
36 transportation, and health care; and

1 (e) Guaranteeing that participation in the Washington full  
2 employment act does not result in reductions of net income to  
3 participants.

4 (2) The Washington full employment act is created as a three-year  
5 pilot program in which residents of selected counties shall, in lieu of  
6 receiving payments from the aid to families with dependent children  
7 program and coupons under the food stamp program, be provided jobs that  
8 promote self-sufficiency and encourage independence from public  
9 assistance.

10 NEW SECTION. **Sec. 9.** The governor and the department shall seek  
11 all necessary exemptions and waivers from and amendments to federal  
12 statutes, rules, and regulations and shall report to the appropriate  
13 committees in the house of representatives and senate quarterly on the  
14 efforts to secure the federal changes to permit full implementation of  
15 the program at the earliest possible date.

16 NEW SECTION. **Sec. 10.** (1) Upon obtaining all such exemptions,  
17 waivers, and amendments referred to in section 9 of this act, the  
18 department, with the advice of the council, shall adopt changes to  
19 current rules as may be required to implement the program.

20 (2) The department, with the advice of the council, shall amend the  
21 state plans for the aid to families with dependent children program,  
22 the job opportunities and basic skills training program, and the food  
23 stamp program to incorporate the programs into the Washington full  
24 employment act program for the pilot counties, and shall obtain federal  
25 approval of plan amendments.

26 (3) The department, with the advice of the council, shall obtain  
27 any exemptions and waivers from federal statutes and regulations  
28 necessary to qualify the program as a federally approved demonstration  
29 project under section 1115 (42 U.S.C. Sec. 1315) of the Social Security  
30 Act and section 17 (7 U.S.C. Sec. 2026) of the Food Stamp Act.

31 (4) The purpose of this section is to facilitate implementation of  
32 the pilot program at the earliest possible date and with maximum  
33 federal financial participation. Therefore, the department is directed  
34 to expedite the acquisition of federal waiver and amendment approvals,  
35 and the adoption of necessary statute amendments in close and  
36 continuous coordination with appropriate federal officials, and to  
37 prepare and submit completely and in a timely manner all forms and data



1 required by those officials. The department, with the advice of the  
2 council, is authorized to make such changes to the program as are  
3 necessary to achieve federal waiver approval. Any such changes should  
4 be, in the judgment of the secretary of the department, the fewest  
5 necessary to achieve federal approval for the program. Such changes  
6 must maintain the general purpose and effect of the program described  
7 in section 7 of this act. If changes to the program required to gain  
8 waiver approval would be too extensive to maintain the general purpose  
9 and effect of the program, the department, with the advice of the  
10 council, shall seek the amendments to federal statutes that are  
11 required for implementation of the pilot program.

12 (5) The counties for the pilot program shall be chosen by the  
13 department with the assistance of the council. The counties considered  
14 shall have existing local programs currently providing mentoring, on-  
15 the-job training, and job placement to welfare recipients.

16 NEW SECTION. **Sec. 11.** (1) There is hereby established the full  
17 employment act advisory council, which shall be convened by the  
18 secretary of the department.

19 The advisory council shall have the following duties:

20 (a) Serve, through recommendations to the governor, as a catalyst  
21 for generating a pool of jobs for participants in the Washington full  
22 employment act.

23 (b) Provide evaluation and feedback to the governor on incentives  
24 designed to promote business participation in the Washington full  
25 employment act.

26 The chair, vice-chair, and members of the council, except for  
27 members of the legislature, shall be appointed by the governor and  
28 shall serve at his or her pleasure. The council shall consist of  
29 twenty-three appointed members, including two members of the senate, to  
30 be appointed by the president of the senate; two members of the house  
31 of representatives, to be appointed by the speaker of the house of  
32 representatives; eleven representatives of the business community; two  
33 representatives of the labor community; two current and one former  
34 recipient of aid to families with dependent children; one  
35 representative of the Washington association of counties; one  
36 representative of the association of counties; and one representative  
37 of a social service agency. The secretary of health and the director

1 of community, trade, and economic development shall serve as ex officio  
2 members.

3 (2) It is the intent of the legislature that the council shall meet  
4 monthly for the first six months, then every two months thereafter with  
5 the assistant secretary for economic services administration within the  
6 department. Members of the council shall be reimbursed for travel  
7 expenses in accordance with RCW 43.03.050 and 43.03.060.

8 (3) The council shall report at least biannually to the governor  
9 and the legislature on the status and progress of the pilot program in  
10 meeting program goals and legislative intent. The chair of the council  
11 shall have the additional duty to work with and coordinate the local  
12 boards created in section 12 of this act.

13 NEW SECTION. **Sec. 12.** A Washington full employment act  
14 implementation board shall be established in each pilot county as a  
15 liaison to the business community and shall work with the department to  
16 address particular needs of participants in the county. The board  
17 shall be comprised of not fewer than three representatives from the  
18 local programs contracted with the department to provide mentoring, on-  
19 the-job training, and job placement; two members currently  
20 participating in the program who are aid to families with dependent  
21 children recipients; five representatives from the local business  
22 community; one representative from the labor community; and one  
23 representative from the department. Each board shall be responsible  
24 for recruiting employment opportunities and encouraging participation  
25 in the county.

26 NEW SECTION. **Sec. 13.** (1) The Washington full employment act  
27 special fund is created in the state treasury separate and distinct  
28 from the general fund. Moneys in the fund may be spent only after  
29 appropriation and shall be used exclusively to meet the necessary  
30 expenses of the program. The fund shall be held and administered by  
31 the state treasurer.

32 (2) All funds appropriated for expenditure by or apportioned to the  
33 department for operation of the aid to families with dependent children  
34 program, the job opportunities and basic skills training program, the  
35 food stamp program, and employment-related day care in the pilot  
36 counties shall accrue to the fund.

1 (3) All income earned on moneys in the fund shall be credited to  
2 and deposited in the fund to the extent permitted by state and federal  
3 law.

4 (4) Expenditures from the fund shall include pilot program wage  
5 reimbursements to participating employers, aid to families with  
6 dependent children cash grants, food stamp allotments, Washington full  
7 employment act payments, and employment-related day care payments to  
8 eligible participants of the pilot counties and administrative costs  
9 directly associated with the operation of the pilot program. At the  
10 end of the three-year pilot program, expenditures from the fund shall  
11 not exceed accruals to the fund.

12 (5) No less than quarterly, the department shall meet with the  
13 council to review the cost-effectiveness of the program and shall take  
14 any necessary action to modify or suspend the program to maintain cost  
15 neutrality.

16 (6) In administering the fund, and consistent with other provisions  
17 of the pilot program and to the extent permitted by federal law, the  
18 department shall maximize the use of federal grants and apportionments  
19 of the aid to families with dependent children program, the job  
20 opportunities and basic skills training program, the food stamp  
21 program, and employment-related child care.

22 (7) To the extent that additional moneys may be obtained for the  
23 program from sources other than state tax revenues, the additional  
24 moneys shall be appropriated to the fund.

25 NEW SECTION. **Sec. 14.** (1)(a) The department shall adopt by rule  
26 a method to determine which employers, including public and private  
27 sector employers, within this state shall have the opportunity to  
28 utilize pilot program participants. The department shall give priority  
29 in assigning pilot program participants to those employers located in  
30 the pilot counties identified in section 8 of this act. No employer is  
31 required to participate in the Washington full employment act. In the  
32 event that there are unassigned participants whom no employer desires  
33 to utilize, they may be assigned to work for a public agency.

34 (b) The department by rule may:

35 (i) Establish criteria for excluding employers from participation  
36 for failure to abide by pilot program requirements or other  
37 demonstrated unwillingness to comply with the stated intent of the  
38 program;

1 (ii) Provide that employers that have shown a pattern of  
2 terminating participants before completion of training without cause  
3 shall be ineligible to receive additional participants.

4 (2) The department shall assign in priority order individuals  
5 eligible for the pilot program who are:

6 (a) Two-parent families who are receiving aid to families with  
7 dependent children benefits;

8 (b) Single adults and caretaker relatives who are receiving aid to  
9 families with dependent children benefits; and

10 (c) Adult food stamp program recipients.

11 (3) Pilot program jobs shall not be offered to the following groups  
12 of persons:

13 (a) Teenage custodial parents working to receive their general  
14 education development (GED) certificate or high school diploma;

15 (b) Persons determined by department rule to require substance  
16 abuse treatment prior to job placement;

17 (c) Persons determined by department rule to be permanently or  
18 temporarily incapacitated and persons who are primary caregivers to  
19 such persons;

20 (d) Food stamp applicants or recipients who are employed full time  
21 or are food stamp eligible college students enrolled full time in an  
22 institution of higher education or enrolled half time in an institution  
23 of higher education and working at least twenty hours per week;

24 (e) Teenage persons who have not received a general education  
25 development certificate or high school diploma;

26 (f) Food stamp recipients in the pilot counties who are eligible  
27 for supplemental security income benefits or other ongoing state or  
28 federal maintenance benefits based on age or disability;

29 (g) Persons for whom suitable child care arrangements are necessary  
30 but not available; and

31 (h) Persons who would be required to commute for more than one hour  
32 each way without access to public or employer-sponsored transportation,  
33 in accordance with Washington full employment act rules.

34 (4) The department shall ensure that jobs made available to pilot  
35 program participants shall:

36 (a) Not require work in excess of forty hours per week;

37 (b) Be in conformity with section 3304(a)(5) of the federal  
38 unemployment tax act;

1 (c) Not be used to displace regular employees nor to fill unfilled  
2 positions previously established; and

3 (d) Not pay a wage that is substantially less than the wage paid  
4 for similar jobs in the local economy with appropriate adjustments for  
5 experience and training.

6 (5)(a) Participants desiring work through the pilot program shall  
7 contact the nearest community service office of the department serving  
8 the pilot county in which they reside.

9 (b) With the assistance of the local full employment act  
10 implementation board and the council, the department shall develop a  
11 job inventory of sufficient size to accommodate all of the participants  
12 who desire to work in the program. In consultation with the  
13 participant, the department shall try to match the profile of a  
14 participant with the needs of an employer when assigning a participant  
15 to work with the employer.

16 (c) Either the employer or the participant may terminate the  
17 assignment by contacting the appropriate department office. In such  
18 event, the department shall reassess the needs of the participant and  
19 assign the participant to another Washington full employment act  
20 placement or another Washington full employment act component and, at  
21 the employer's request, provide the employer with another participant.

22 (d)(i) If after nine months in a placement, a participant has not  
23 been hired for an unsubsidized position, the employer shall allow the  
24 worker to undertake eight hours of job search per week. Participating  
25 employers shall consider such time as hours worked for the purposes of  
26 paying wages.

27 (ii) If after twelve months in a placement, a participant has not  
28 been hired for an unsubsidized position, the placement shall be  
29 terminated, and the case worker shall reassess the participant's  
30 employment development contract. Based on the assessment, the  
31 department may either reassign the participant to another on-the-job  
32 training assignment or refer the individual to the training component  
33 of the program.

34 (6) Aid to families with dependent children and food stamp benefits  
35 shall be suspended at the end of the calendar month in which an  
36 employer makes the first wage payment to a participant who is a  
37 custodial parent in a family that receives aid to families with  
38 dependent children or to any adult member of a household receiving food  
39 stamps.

1 (7)(a) Employers shall pay all participating individuals at least  
2 the hourly rate of the Washington minimum wage.

3 (b) Sick leave, holiday, and vacation absences shall conform to the  
4 individual employer's rules for new employees.

5 (c) Group health insurance benefits shall be provided by the  
6 employer to pilot program participants if, and to the extent that,  
7 state or federal law requires the employer to provide such benefits.

8 (d) All persons participating in the Washington full employment act  
9 shall be considered to be temporary employees of the individual  
10 employer providing the work and shall be entitled only to benefits  
11 required by state or federal law.

12 (e) Employers shall provide workers' compensation coverage for each  
13 Washington full employment act participant.

14 (8) In the event that the net monthly full-time wage paid to a  
15 participant would be less than the level of income from the aid to  
16 families with dependent children program and the food stamp benefit  
17 amount equivalent that the participant would otherwise receive, the  
18 department shall determine and pay a supplemental payment as necessary  
19 to provide the participant with that level of net income. The  
20 department by rule shall adopt an equivalency scale to be adjusted for  
21 household size and other factors. The purpose of this equivalency  
22 scale is to ensure that participants are not economically  
23 disadvantaged, in terms of net income, by accepting a job under the  
24 pilot program. The department shall determine and pay in advance  
25 supplemental payments to participants on a monthly basis as necessary  
26 to ensure equivalent net pilot program wages. Participants shall be  
27 compensated only for time worked.

28 (9) Pilot program participants who are eligible for federally and  
29 state-funded medical assistance at the time they enter the pilot  
30 program shall remain eligible as long as they continue to participate  
31 in the pilot program. In conformity with existing state and federal  
32 employment-related child care program regulations, child day care shall  
33 be provided for all pilot program participants who require it.

34 (10) Washington full employment act employers shall:

35 (a) Endeavor to make Washington full employment act placements  
36 positive learning and training experiences;

37 (b) Maintain health, safety, and working conditions at or above  
38 levels generally acceptable in the industry and no less than that of  
39 comparable jobs of the employer;

1 (c) Provide on-the-job training to the degree necessary for the  
2 participants to perform their duties;

3 (d) Recruit volunteer mentors from among their regular employees to  
4 assist the participants in becoming oriented to work and the workplace;

5 (e) Sign an agreement between the department and the recipient for  
6 each placement outlining the specific job offered to the participant  
7 and agreeing to abide by all requirements of the pilot program,  
8 including the requirement that the pilot program not supplant existing  
9 jobs. All agreements shall include provisions noting the employer's  
10 responsibility to repay reimbursements in the event the employer  
11 violates pilot program rules; and

12 (f) Coordinate with the department and the recipient to complete  
13 all necessary paperwork to receive earned income tax credit monthly.

14 (11) Pilot program participant wages shall be subject to federal  
15 tax, social security taxes, and unemployment insurance tax or  
16 reimbursement as applicable, which shall be withheld and paid in  
17 accordance with state and federal law. Supplemental payments made  
18 pursuant to subsection (8) of this section, to the extent allowed by  
19 federal law, shall not be subject to federal income taxes and social  
20 security taxes.

21 (12)(a) The department shall reimburse employers for the employer  
22 share of social security, unemployment insurance, and workers'  
23 compensation premiums paid on behalf of pilot program participants, as  
24 well as the minimum wage earnings paid to pilot program participants by  
25 the employer from the Washington full employment act special fund.

26 (b) If the department finds that an employer has violated any of  
27 the rules of the Washington full employment act, the department:

28 (i) Shall withhold any amounts due to employers under (a) of this  
29 subsection;

30 (ii) May seek repayment of any amounts paid to employers under (a)  
31 of this subsection.

32 (13) Recipients who secure permanent employment as a result of  
33 participating in the Washington full employment act shall be eligible  
34 for up to an additional twenty-four months of child care and health  
35 care subsidies calculated on a sliding scale based on income.

36 NEW SECTION. **Sec. 15.** (1) Six months before the completion date  
37 of the three-year test period of the pilot program, the department  
38 shall submit a written report to the legislature and the governor

1 containing a full and complete analysis of the pilot program. The  
2 report shall include recommendations from the department and the  
3 council regarding appropriate revisions to the pilot program and the  
4 potential for its permanent implementation for the entire state.

5 (2) The evaluation of the pilot program shall be conducted by an  
6 independent evaluator using a combination of group comparison, survey  
7 and individualized event and attitude recording techniques.  
8 Performance in attaining pilot program goals in each pilot county shall  
9 be matched against performance using the traditional welfare and  
10 employment characteristics. In addition, the composite performance of  
11 the pilot counties shall be compared to the rest of the state. The  
12 evaluation shall include measurements of whether program participation  
13 has improved the quality of life of program participants. In addition,  
14 as a part of the evaluation of the Washington full employment act, the  
15 employment security department shall determine whether the pilot  
16 program has displaced unsubsidized employment opportunities that would  
17 otherwise have been available and whether the pilot program has had any  
18 discernible impact on the economies or wage levels in individual pilot  
19 counties.

20 (3) The target goals for the program are to reduce the Washington  
21 full employment act eligible aid to families with dependent children or  
22 food stamp caseloads in the pilot counties by fifty percent by the end  
23 of the third year of the pilot program, and to reduce the costs  
24 associated with these caseloads by twenty-five percent over the three-  
25 year pilot period.

26 (4) Twelve months after the beginning of the Washington full  
27 employment act, the department shall present to the legislature a  
28 report on the cost neutrality projections of the pilot program. If it  
29 appears that the pilot program is not likely to achieve cost neutrality  
30 over the course of the three-year pilot period, the department shall  
31 also present a plan to modify the pilot program.

32 NEW SECTION. **Sec. 16.** In the event that the department is not  
33 able to obtain the necessary exemptions, waivers, or amendments  
34 referred to in section 9 of this act before January 1, 1998, this act  
35 shall expire on that date and shall have no further force or effect.  
36 Any unexpended and unobligated moneys remaining in the Washington full  
37 employment act special fund on that date may not be spent and are  
38 subject to legislative appropriation.



1        NEW SECTION.    **Sec. 17.**    The appointment of the members of the  
2 council and the establishment of the Washington full employment act  
3 implementation board shall occur within sixty days after the effective  
4 date of this section.

5        NEW SECTION.    **Sec. 18.**    The performance-based contract for each  
6 private nonprofit contractor for job opportunities and basic skills  
7 training program services and the general operation and budget for the  
8 department shall be audited by the legislative budget committee for the  
9 period between June 30, 1993, and July 1, 1997, to determine the  
10 effectiveness of programs and services for aid to families with  
11 dependent children, food stamp, and general assistance programs to  
12 assess eligible recipients in returning to work.    The audit shall  
13 provide the following information about the effectiveness of the  
14 program and about the job opportunities and basic skills training  
15 program-eligible participants, in addition to any other information the  
16 auditors may provide:    The number of participants participating in at  
17 least one hundred twenty hours of job readiness training per month; the  
18 number of job placements in full-time jobs as a percent of program  
19 graduates; the average number of hours worked upon hire; the number as  
20 a percent of recipients who held jobs for thirty days, ninety days, and  
21 twelve months; wages of graduates on hourly, weekly, and monthly basis  
22 and number earning more than one hundred twenty-five percent of the  
23 federal poverty level; the number as a percent receiving earned income  
24 tax credit; length of time on welfare for each stay and over a five-  
25 year period, benefits levels of the aid to families with dependent  
26 children, general assistance, and food stamp recipients; total earnings  
27 as compared to welfare benefits while on public assistance and working  
28 and at the time of ineligibility as a result of excess income; net tax  
29 improvement; any additional state and federal government savings;  
30 savings to employers in reduction in hiring and turnover costs; adult  
31 placement characteristics, such as age, gender, number of children,  
32 children under three years of age; criminal record; education; an  
33 estimate of the total number of welfare recipients who no longer depend  
34 on public assistance and who left public assistance by means of  
35 employment; and an estimate of the cost to the state as compared to  
36 private contracts for each job opportunities and basic skills training  
37 program completion, job placement, ninety-day job retention costs, and

1 the monthly reimbursement in job opportunities and basic skills program  
2 funds.

3 The legislative budget committee shall report its findings to the  
4 governor and the appropriate standing committees of the legislature by  
5 July 1, 1998.

6 NEW SECTION. **Sec. 19.** Sections 3 and 5 through 18 of this act are  
7 each added to chapter 74.25 RCW.

8 NEW SECTION. **Sec. 20.** If any part of this act is found to be in  
9 conflict with federal requirements that are a prescribed condition to  
10 the allocation of federal funds to the state, the conflicting part of  
11 this act is inoperative solely to the extent of the conflict and with  
12 respect to the agencies directly affected, and this finding does not  
13 affect the operation of the remainder of this act in its application to  
14 the agencies concerned. The rules under this act shall meet federal  
15 requirements that are a necessary condition to the receipt of federal  
16 funds by the state.

17 NEW SECTION. **Sec. 21.** This act is necessary for the immediate  
18 preservation of the public peace, health, or safety, or support of the  
19 state government and its existing public institutions, and shall take  
20 effect July 1, 1995.

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