

SENATE BILL REPORT

SB 5195

As of February 16, 1995

Title: An act relating to public assistance recipient job training programs and employer business and occupation and utility tax credit incentives.

Brief Description: Modifying department of social and health services job training program criteria and incentives.

Sponsors: Senators Quigley, Winsley, Sheldon, Haugen and Wojahn; by request of Governor Lowry.

Brief History:

Committee Activity: Health & Long-Term Care: 2/17/95.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Staff: Joanne Conrad (786-7472)

Background: Some research studies show a relationship between the attainment of self-sufficiency for those on public assistance, and work-related education and training.

Summary of Bill: A "Tax Incentive Program" ("TIP") is created, with the stated goal of encouraging the hiring, and training, and increasing the employability of public assistance recipients. The Department of Social and Health Services (DSHS), the Employment Security Department, the Work Force Training and Education Coordinating Board, the Department of Community, Trade, and Economic Development, and community and technical colleges work together to market the program.

Welfare recipients are categorized into three groups, based upon educational background and work experience. Graduated incentives are created to encourage employers to hire persons from the three groups. A written agreement between the recipient, DSHS and the employer sets forth a training program, with learning objectives and a "statement of progressively increasing scale of wages to be paid to the employee during the training period, using a wage scale that exceeds federal poverty level for a family of three."

Employers may receive a Business and Occupations tax credit of 120 percent of the training costs for the agreed-upon training program. The total of all credits for the program cannot exceed \$15 million per biennium.

DSHS may institute a nonmandatory experimental and control group study, and the Department of Revenue and DSHS is required to perform an assessment of the program by December 1999.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 1995.