

HOUSE BILL REPORT

HB 1130

As Reported by House Committee On:
Higher Education

Title: An act relating to making the customized training program permanent.

Brief Description: Making the customized training program permanent.

Sponsors: Representatives Haler, Pollet and Ryu; by request of State Board for Community and Technical Colleges.

Brief History:

Committee Activity:

Higher Education: 1/17/17, 1/24/17 [DPS].

Brief Summary of Substitute Bill

- Repeals the expiration date of the Washington Customized Employment Training Program.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Hansen, Chair; Pollet, Vice Chair; Holy, Ranking Minority Member; Van Werven, Assistant Ranking Minority Member; Haler, Orwall, Sells and Stambaugh.

Staff: Trudes Tango (786-7384).

Background:

The Legislature created the Washington Customized Employment Training Program (Program) in 2006 to fund workforce training in a manner that reduces the up-front costs of training to new and expanding firms in Washington.

The State Board for Community and Technical Colleges (State Board) administers the Program. The State Board awards training allowances to eligible employers who contract with qualified community and technical colleges or private vocational schools to provide

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

customized training to individuals. Per trainee allowances are capped depending on the size of the business. Preference is given to employers with fewer than 50 employees. The employer must make good faith efforts to hire from trainees in the Program. Colleges must make good faith efforts to use trainers preferred by employers participating in the Program.

At the completion of training, employers must repay the training allowance in phases over a period of 18 months. Repayments are deposited into the Training Finance Account that was created as part of the Program.

When originally created, the Program was set to expire in 2012. Before it expired, the Legislature extended the expiration date to July 1, 2017.

Summary of Substitute Bill:

The expiration date of the Washington Customized Employment Training Program is repealed.

Substitute Bill Compared to Original Bill:

The substitute bill makes technical corrections by removing additional expiration dates and adds an emergency clause.

Appropriation: None.

Fiscal Note: Requested on January 18, 2017.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect on June 30, 2017.

Staff Summary of Public Testimony:

(In support) This Program has been a useful tool for economic development and for growing businesses and getting more people employed. The Program will expire if this bill is not passed. Employers repay the loans under this Program and the funds are re-awarded to other employers. Trainings are provided for, anywhere between, five to 100 workers.

(Opposed) None.

Persons Testifying: Representative Haler, prime sponsor; and Arlen Harris and Anna Nikolaeva, State Board for Community and Technical Colleges.

Persons Signed In To Testify But Not Testifying: None.