

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5616

Chapter 296, Laws of 2009

61st Legislature
2009 Regular Session

CUSTOMIZED TRAINING PROGRAM--REQUIREMENTS

EFFECTIVE DATE: 07/26/09

Passed by the Senate April 20, 2009
YEAS 46 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House April 13, 2009
YEAS 98 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

Approved April 30, 2009, 11:00 a.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5616** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

May 1, 2009

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5616

AS AMENDED BY THE HOUSE

Passed Legislature - 2009 Regular Session

State of Washington 61st Legislature 2009 Regular Session

By Senate Economic Development, Trade & Innovation (originally sponsored by Senators Shin, Kastama, and Kilmer)

READ FIRST TIME 01/30/09.

1 AN ACT Relating to connecting business expansion and recruitment to
2 customized training; and amending RCW 28B.67.020, 28B.67.030, and
3 82.04.449.

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

5 **Sec. 1.** RCW 28B.67.020 and 2006 c 112 s 3 are each amended to read
6 as follows:

7 (1) The Washington customized employment training program is hereby
8 created to provide training assistance to employers locating or
9 expanding in the state.

10 (2)(a) Application to receive funding under this program shall be
11 made to the board in a form and manner as specified by the board.
12 Successful applicants shall receive a training allowance from the board
13 to cover the costs of training at a qualified training institution.
14 Employers may not receive an allowance for training costs which exceed
15 the maximum annual training cost per employee, as established by the
16 board, and are not eligible to receive an allowance or allowances of
17 over five hundred thousand dollars per calendar year.

18 (b) Allowances shall be granted for applicants who meet the
19 following criteria:

1 (i) The employer must have entered into an agreement with a
2 qualified training institution to engage in customized training and the
3 employer must agree to: (A) Upon completion of the training, make a
4 payment to the employment training finance account created in RCW
5 28B.67.030 in an amount equal to one-quarter of the amount of the
6 training allowance; and (B) over the subsequent eighteen months, make
7 monthly or quarterly payments, as specified in the agreement, to the
8 employment training finance account created in RCW 28B.67.030 in an
9 amount equal to three-quarters of the amount of the training allowance.
10 During calendar years 2009 and 2010, participants may delay payments
11 due under this section for up to eighteen months. The payments into
12 the employment training finance account provided for in this section do
13 not constitute payment to the institution.

14 (ii) (~~The employer must ensure that the number of employees an~~
15 ~~employer has in the state during the calendar year following the~~
16 ~~completion of the training program will equal the number of employees~~
17 ~~the employer had in the state in the calendar year preceding the start~~
18 ~~of the training program plus seventy five percent of the number of~~
19 ~~trainees.)) When hiring, the employer must make good faith efforts, as
20 determined by the board, to hire from trainees in the participant's
21 training program. The agreement with the qualified training
22 institution provided for in (b)(i) of this subsection shall specify
23 terms for reimbursement or additional payment to the employment
24 training finance account by the employer if the (~~employment criterion~~
25 ~~of this subsection is not met)) participant does not, when hiring, make
26 good faith efforts to hire from trainees in the participant's training
27 program.~~~~

28 (iii) The training (~~grant~~) allowance may not be used to train
29 workers who have been hired as a result of a strike or lockout.

30 (c) Preference shall be given to employers with fewer than fifty
31 employees.

32 (d) Preference shall be given to training that leads to
33 transferable skills that are interchangeable among different jobs,
34 employers, or workplaces.

35 (3) Qualified training institutions may enter into agreements with
36 four-year institutions of higher education, as defined in RCW
37 28B.10.016, in accordance with the interlocal cooperation act, chapter
38 39.34 RCW.

1 (4) The board and qualified training institutions may solicit and
2 receive gifts, grants, funds, fees, and endowments, in trust or
3 otherwise, from tribal, local, federal, or other governmental entities,
4 as well as private sources, for the purpose of providing training
5 allowances under chapter 112, Laws of 2006. All revenue thus solicited
6 and received shall be deposited into the employment training finance
7 account created in RCW 28B.67.030.

8 (5) Qualified training institutions must make good faith efforts to
9 develop training programs using trainers preferred by participants.

10 (6) For employers who (a) have requested training under the job
11 skills program created under chapter 28C.04 RCW but are not able to
12 participate in the job skills program because the funds have all been
13 committed, and (b) desire to become participants in the Washington
14 customized employment training program, the board shall ensure a
15 seamless process toward participation.

16 (7) The board may adopt rules to implement this section.

17 **Sec. 2.** RCW 28B.67.030 and 2006 c 112 s 8 are each amended to read
18 as follows:

19 (1) All payments received from a participant in the Washington
20 customized employment training program created in RCW 28B.67.020 shall
21 be deposited into the employment training finance account, which is
22 hereby created in the custody of the state treasurer. Only the state
23 board for community and technical colleges may authorize expenditures
24 from the account and no appropriation is required for expenditures.
25 The money in the account must be used solely for training allowances
26 under the Washington customized employment training program created in
27 RCW 28B.67.020 and for providing up to seventy-five thousand dollars
28 per year for training, marketing, and facilitation services to increase
29 the use of the program. The deposit of payments under this section
30 from a participant shall cease when the board specifies that the
31 participant has met the monetary obligations of the program.

32 (2) All revenue solicited and received under the provisions of RCW
33 28B.67.020(4) shall be deposited into the employment training finance
34 account to provide training allowances.

35 (3) The definitions in RCW 28B.67.010 apply to this section.

1 **Sec. 3.** RCW 82.04.449 and 2006 c 112 s 5 are each amended to read
2 as follows:

3 In computing the tax imposed under this chapter, a credit is
4 allowed for participants in the Washington customized employment
5 training program created in RCW 28B.67.020. The credit allowed under
6 this section is equal to fifty percent of the value of a participant's
7 payments to the employment training finance account created in RCW
8 28B.67.030. If a participant in the program does not meet the
9 (~~qualifications in~~) requirements of RCW 28B.67.020(2)(b)(ii), the
10 participant must remit to the department the value of any credits taken
11 plus interest. The credit earned by a participant in one calendar year
12 may be carried over to be credited against taxes incurred in a
13 subsequent calendar year. No credit may be allowed for repayment of
14 training allowances received from the Washington customized employment
15 training program on or after July 1, 2016.

 Passed by the Senate April 20, 2009.

 Passed by the House April 13, 2009.

 Approved by the Governor April 30, 2009.

 Filed in Office of Secretary of State May 1, 2009.