

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE SENATE BILL 5809

Chapter 566, Laws of 2009

(partial veto)

61st Legislature
2009 Regular Session

WORKFORCE EMPLOYMENT AND TRAINING

EFFECTIVE DATE: 05/19/09

Passed by the Senate April 26, 2009
YEAS 48 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House April 24, 2009
YEAS 63 NAYS 31

FRANK CHOPP

Speaker of the House of Representatives

Approved May 19, 2009, 3:57 p.m., with
the exception of Section 4 which is
vetoed.

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 **ENGROSSED SECOND
SUBSTITUTE SENATE BILL 5809** as
passed by the Senate and the House
of Representatives on the dates
hereon set forth.

THOMAS HOEMANN

Secretary

FILED

May 20, 2009

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE SENATE BILL 5809

AS AMENDED BY THE HOUSE

Passed Legislature - 2009 Regular Session

State of Washington **61st Legislature** **2009 Regular Session**

By Senate Ways & Means (originally sponsored by Senator Hargrove)

READ FIRST TIME 03/02/09.

1 AN ACT Relating to workforce employment and training; amending RCW
2 50.24.014; adding a new section to chapter 50.22 RCW; creating new
3 sections; providing expiration dates; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

6 (a) This is a time of great economic difficulty for the residents
7 of Washington state;

8 (b) Education and training provides opportunity for unemployed
9 workers and economically disadvantaged adults to move into living wage
10 jobs and is of critical importance to the current and future prosperity
11 of the residents of Washington state;

12 (c) Community and technical college workforce training programs,
13 private career schools and colleges, and Washington state
14 apprenticeship and training council-approved apprenticeship programs
15 provide effective and efficient pathways for people to enter
16 high-demand occupations while also meeting the needs of the economy;

17 (d) The identification of high-demand occupations needs to be based
18 on reliable labor market research; and

1 (e) Workforce development councils are in a position to provide
2 funding for economically disadvantaged adults and unemployed workers to
3 access training.

4 (2) Consistent with the intent of the workforce investment act
5 adult and dislocated worker program provisions of the American recovery
6 and reinvestment act of 2009, the legislature intends that individuals
7 who are eligible for services under the workforce investment act adult
8 and dislocated worker programs, or are receiving or have exhausted
9 entitlement to unemployment compensation benefits be provided the
10 opportunity to enroll in training programs to prepare for a high-demand
11 occupation.

12 **Sec. 2.** RCW 50.24.014 and 2007 c 327 s 2 are each amended to read
13 as follows:

14 (1)(a) A separate and identifiable account to provide for the
15 financing of special programs to assist the unemployed is established
16 in the administrative contingency fund. All money in this account
17 shall be expended solely for the purposes of this title and for no
18 other purposes whatsoever. Contributions to this account shall accrue
19 and become payable by each employer, except employers as described in
20 RCW 50.44.010 and 50.44.030 who have properly elected to make payments
21 in lieu of contributions, taxable local government employers as
22 described in RCW 50.44.035, and those employers who are required to
23 make payments in lieu of contributions, at a basic rate of two one-
24 hundredths of one percent. The amount of wages subject to tax shall be
25 determined under RCW 50.24.010.

26 (b) A separate and identifiable account is established in the
27 administrative contingency fund for financing the employment security
28 department's administrative costs under RCW 50.22.150 and section 4,
29 chapter 3, Laws of 2009 and the costs under RCW 50.22.150(~~(+10)~~) (11)
30 and section 4(14), chapter 3, Laws of 2009. All money in this account
31 shall be expended solely for the purposes of this title and for no
32 other purposes whatsoever. Contributions to this account shall accrue
33 and become payable by each employer, except employers as described in
34 RCW 50.44.010 and 50.44.030 who have properly elected to make payments
35 in lieu of contributions, taxable local government employers as
36 described in RCW 50.44.035, those employers who are required to make
37 payments in lieu of contributions, those employers described under RCW

1 50.29.025(1)(f)(ii), and those qualified employers assigned rate class
2 20 or rate class 40, as applicable, under RCW 50.29.025, at a basic
3 rate of one one-hundredth of one percent. The amount of wages subject
4 to tax shall be determined under RCW 50.24.010. Any amount of
5 contributions payable under this subsection (1)(b) that exceeds the
6 amount that would have been collected at a rate of four one-thousandths
7 of one percent must be deposited in the account created in (a) of this
8 subsection.

9 (2)(a) Contributions under this section shall become due and be
10 paid by each employer under rules as the commissioner may prescribe,
11 and shall not be deducted, in whole or in part, from the remuneration
12 of individuals in the employ of the employer. Any deduction in
13 violation of this section is unlawful.

14 (b) In the payment of any contributions under this section, a
15 fractional part of a cent shall be disregarded unless it amounts to
16 one-half cent or more, in which case it shall be increased to one cent.

17 (3) If the commissioner determines that federal funding has been
18 increased to provide financing for the services specified in chapter
19 50.62 RCW, the commissioner shall direct that collection of
20 contributions under this section be terminated on the following January
21 1st.

22 NEW SECTION. **Sec. 3.** (1) Subject to the availability of funds
23 through March 1, 2011, funds appropriated in the 2009-2011 operating
24 budget for the purposes of this act shall be distributed by the
25 employment security department to workforce development councils as a
26 match to American recovery and reinvestment act formula funds or local
27 workforce investment act funds that workforce development councils
28 provide specifically for the education and training of eligible
29 individuals in high-demand occupations for the purposes identified in
30 section 5(2) of this act. The education and training of eligible
31 individuals in occupations in the aerospace, energy efficiency, forest
32 product, and health care industries shall be given priority, so long as
33 the priority is consistent with federal law.

34 (a) Funds used to increase capacity as described in section 5(2)(a)
35 of this act shall receive a seventy-five percent match.

36 (b) Funds used to provide student financial aid described in
37 section 5(2)(b) of this act shall receive a twenty-five percent match.

1 (2) Funds available for the purposes identified in section 5(2) of
2 this act but not distributed under subsection (1) of this section shall
3 be allocated to the state board for community and technical colleges
4 March 1, 2011. The board shall only use the funds to increase capacity
5 as described in section 5(2)(a) of this act. The board shall report to
6 the employment security department on the use of these funds.

7 (3) The employment security department, in cooperation with the
8 workforce training and education coordinating board and the state board
9 for community and technical colleges, shall develop a set of guidelines
10 on allowable uses for the incentive funds made available under this
11 section. These guidelines shall emphasize training programs that
12 expand the skills for Washington workers in order to obtain and retain
13 jobs in high-demand industries such as those referenced in the American
14 recovery and reinvestment act of 2009.

15 (4) This section expires July 1, 2011.

16 ***NEW SECTION. Sec. 4. The governor shall direct ten percent of**
17 **statewide funds made available for activities under the workforce**
18 **investment act in Title VIII of division A of the American recovery and**
19 **reinvestment act of 2009 (P.L. 111-5) to be used for the purposes of**
20 **section 3 of this act.**

**Sec. 4 was vetoed. See message at end of chapter.*

21 **NEW SECTION. Sec. 5.** (1) Consistent with the intent of the
22 workforce investment act adult and dislocated worker program provisions
23 of the American recovery and reinvestment act of 2009, the employment
24 security department shall encourage an increase in education and
25 training through grants and local plan modifications with workforce
26 development councils. The department shall encourage workforce
27 development councils to collaborate with other local recipients of
28 American recovery and reinvestment act funding for the purposes of
29 increasing training and supporting individuals who receive training.
30 The department shall also require workforce development councils to
31 determine the number of participants who will receive education and
32 training in high-demand industries. The department shall require the
33 workforce development councils to report on these efforts to accomplish
34 the tasks described in this subsection.

35 (2) The employment security department shall use funds as described
36 in section 3 of this act to encourage workforce development councils to

1 use American recovery and reinvestment act and workforce investment act
2 adult and dislocated worker formula resources for the following
3 education and training purposes:

4 (a) To provide enrollment support or enter into contracts with the
5 community and technical college system to increase capacity for
6 training eligible individuals for high-demand and other occupations
7 listed in section 3(1) of this act in programs on the eligible training
8 provider list or new programs; and

9 (b) For the provision of individual training accounts that provide
10 financial aid for eligible students training for high-demand and other
11 occupations listed in section 3(1) of this act in programs on the
12 eligible training provider list.

13 (3) American recovery and reinvestment act formula funds described
14 in this section may not be used to replace or supplant any existing
15 enrollments, programs, support services, or funding sources.

16 (4) The employment security department, in its role as fiscal agent
17 for workforce funds available under the American recovery and
18 reinvestment act, shall monitor and report to the governor on the use
19 of these funds and identify specific actions that the governor or the
20 legislature may take to ensure the state and local workforce
21 development councils are effectively meeting the intent of this act.
22 This shall include such reports as required by the American recovery
23 and reinvestment act of 2009 and the governor.

24 (5) This section expires July 1, 2011.

25 NEW SECTION. **Sec. 6.** The employment security department, in
26 collaboration with the workforce training and education coordinating
27 board, workforce development councils, and the state board for
28 community and technical colleges, shall submit a report to the governor
29 and to the appropriate committees of the legislature by December 1,
30 2010. The report shall describe the implementation of this act, and
31 shall include the following:

32 (1) The amounts of expenditures on education and training;

33 (2) The number of students receiving training;

34 (3) The types of training received by the students;

35 (4) Training completion and employment rates;

36 (5) Comparisons of preprogram and postprogram wage levels;

37 (6) Student demographics and institution/program demographics;

1 (7) Efforts made to ensure training was provided in areas that
2 would lead to employment;

3 (8) Efforts to develop capacity in occupations that are of
4 particularly high demand; and

5 (9) Specific enhancements made in the workforce system to ensure
6 additional training in high-demand occupations is accessible to low-
7 income and dislocated workers.

8 NEW SECTION. **Sec. 7.** A new section is added to chapter 50.22 RCW
9 to read as follows:

10 The employment security department shall periodically bring
11 together representatives of the workforce training and education
12 coordinating board, workforce development councils, the state board for
13 community and technical colleges, business, labor, and the legislature
14 to review development and implementation of chapter . . . , Laws of 2009
15 (this act) and related programs under this chapter.

16 NEW SECTION. **Sec. 8.** This act is necessary for the immediate
17 preservation of the public peace, health, or safety, or support of the
18 state government and its existing public institutions, and takes effect
19 immediately.

Passed by the Senate April 26, 2009.
Passed by the House April 24, 2009.
Approved by the Governor May 19, 2009, with the exception of
certain items that were vetoed.
Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Section 4, Engrossed Second Substitute
Senate Bill 5809 entitled:

"AN ACT Relating to workforce employment and training."

I am vetoing Section 4 of this bill. The policy intent of the bill can
be accomplished without the Legislature directing how the Governor's
discretionary Workforce Investment Act 10% fund is used. Although
federal law does not prohibit the state Legislature from directing the
Workforce Investment Act 10% funds, the approach taken by this bill
would set an undesirable precedent.

For these reasons, I have vetoed Section 4 of Engrossed Second
Substitute Senate Bill 5809.

With the exception of Section 4, Engrossed Second Substitute Senate
Bill 5809 is approved."