
SUBSTITUTE SENATE BILL 5773

State of Washington

61st Legislature

2009 Regular Session

By Senate Higher Education & Workforce Development (originally sponsored by Senators Hobbs, McAuliffe, Kilmer, Kohl-Welles, and McDermott)

READ FIRST TIME 02/25/09.

1 AN ACT Relating to establishing the opportunity internship program
2 for high school students; amending RCW 28B.92.030, 28B.92.080, and
3 28B.92.110; adding new sections to chapter 28C.18 RCW; adding a new
4 section to chapter 28B.92 RCW; adding a new section to chapter 82.04
5 RCW; and creating new sections.

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

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that moving low-
8 income high school students efficiently through a progression of career
9 exploration, internships in high-demand occupations, and completion of
10 postsecondary education benefits these students by increasing the
11 relevance of their high school education, increasing their connection
12 to the working world, accelerating their entry into a high-demand
13 occupation, and increasing their earnings.

14 (2) The legislature further finds that in a difficult economy,
15 youth unemployment rates increase sharply. Providing paid internships
16 to high school students creates not only an immediate short-term
17 economic stimulus in local communities, but also creates the potential
18 to sustain that economic recovery by making students better prepared

1 for postsecondary education and employment in the types of occupations
2 that will generate economic growth over the long term.

3 (3) The legislature further finds that moving students efficiently
4 through secondary and postsecondary education reduces state
5 expenditures by improving on-time graduation and postsecondary
6 retention and increases state revenues by providing for graduates with
7 higher lifelong earnings and taxpaying potential.

8 (4) Employers and local economies benefit from the development of
9 a long-term relationship with potential employees and a more consistent
10 pipeline of skilled workers into the occupations for which they are
11 having the most trouble finding skilled workers.

12 (5) Therefore the legislature intends to provide incentives for
13 local consortia of employers, labor organizations, educational
14 institutions, and workforce and economic development councils to use
15 existing funds to build educational and employment pipelines to high-
16 demand occupations for low-income high school students.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 28C.18 RCW
18 to read as follows:

19 (1) The opportunity internship program is created under sections 2
20 through 6 of this act. The purpose of the program is to provide
21 incentives for opportunity internship consortia to use existing
22 resources to build educational and employment pipelines to high-demand
23 occupations in targeted industries for low-income high school students.
24 Four types of incentives are provided through the program:

25 (a) Each opportunity internship graduate shall be eligible for up
26 to one year of financial assistance for postsecondary education as
27 provided in section 8 of this act;

28 (b) Each opportunity internship graduate who completes a
29 postsecondary program of study shall receive a job interview with an
30 employer participating in an opportunity internship consortium that has
31 agreed to provide such interviews;

32 (c) Each employer participating in an opportunity internship
33 consortium that offers a paid internship to a low-income high school
34 student through the opportunity internship program may receive a credit
35 for the amount of salary and wages paid for the internship against
36 business and occupation taxes owed as provided under section 11 of this
37 act; and

1 (d) For each opportunity internship graduate who completes a
2 postsecondary program of study, obtains employment in a high-demand
3 occupation that pays a starting salary or wages of not less than thirty
4 thousand dollars per year, and remains employed for at least six
5 months, the participating opportunity internship consortium shall be
6 eligible to receive an incentive payment as provided in section 6 of
7 this act.

8 (2) The opportunity internship program shall be administered by the
9 board and the board may adopt rules to implement the program.

10 NEW SECTION. **Sec. 3.** A new section is added to chapter 28C.18 RCW
11 to read as follows:

12 Unless the context clearly requires otherwise, the definitions in
13 this section apply throughout sections 2 through 6 of this act.

14 (1) "High-demand occupation" means an occupation with a substantial
15 number of current or projected employment opportunities.

16 (2) "Low-income high school student" means a student who is
17 enrolled in grades ten, eleven, or twelve in a public high school and
18 who qualifies for federal free or reduced-price meals. If a student
19 qualifies at the time the student begins participating in the
20 opportunity internship program, the student remains eligible even if
21 the student does not receive free or reduced-price meals thereafter.
22 To participate in the program, the student must remain enrolled in high
23 school until the student receives a high school diploma.

24 (3) "Opportunity internship consortium" means a local consortium
25 formed for the purpose of participating in the opportunity internship
26 program and which may be composed of a local workforce development
27 council, economic development council, area high schools, community or
28 technical colleges, apprenticeship councils, private vocational schools
29 licensed under chapter 28C.10 RCW, public and private four-year
30 institutions of higher education, employers in targeted industries, and
31 labor organizations.

32 (4) "Opportunity internship graduate" means a low-income high
33 school student who successfully completes an opportunity internship
34 program and graduates from high school.

35 (5) "Postsecondary program of study" means an undergraduate or
36 graduate certificate, apprenticeship, or degree program.

1 (6) "Targeted industry" means a business or industry identified by
2 a local workforce development council as having high-demand occupations
3 that require candidates to have completed a postsecondary program of
4 study.

5 NEW SECTION. **Sec. 4.** A new section is added to chapter 28C.18 RCW
6 to read as follows:

7 (1) Opportunity internship consortia may apply to the board to
8 offer an opportunity internship program.

9 (a) The board may select those consortia that demonstrate the
10 strongest commitment and readiness to implement a high quality
11 opportunity internship program for low-income high school students.
12 The board shall place a priority on consortia with demonstrated
13 experience working with similar populations of students and
14 demonstrated capacity to assist a large number of students through the
15 progression of internship, high school graduation, postsecondary
16 education, and retention in a high-demand occupation. The board shall
17 place a priority on programs that emphasize secondary career and
18 technical education and nonbaccalaureate postsecondary education;
19 however, programs that target four-year postsecondary degrees are
20 eligible to participate.

21 (b) The board shall enter into a contract with each consortium
22 selected to participate in the program. No more than ten consortia per
23 year shall be selected to participate in the program, and to the extent
24 possible, the board shall assure a geographic distribution of consortia
25 in regions across the state emphasizing a variety of targeted
26 industries. Each consortium may select no more than one hundred low-
27 income high school students per year to participate in the program.

28 (2) Under the terms of an opportunity internship program contract,
29 an opportunity internship consortium shall commit to the following
30 activities which shall be conducted using existing federal, state,
31 local, or private funds available to the consortium:

32 (a) Identify high-demand occupations in targeted industries for
33 which opportunity internships shall be developed and provided;

34 (b) Develop and implement the components of opportunity
35 internships, including paid or unpaid internships of at least ninety
36 hours in length in high-demand occupations with employers in the
37 consortium, mentoring and guidance for students who participate in the

1 program, assistance with applications for postsecondary programs and
2 financial aid, and a guarantee of a job interview with a participating
3 employer for all opportunity internship graduates who successfully
4 complete a postsecondary program of study;

5 (c) Once the internship components have been developed, conduct
6 outreach efforts to inform low-income high school students about high-
7 demand occupations, the opportunity internship program, options for
8 postsecondary programs of study, and the incentives and opportunities
9 provided to students who participate in the program;

10 (d) Obtain appropriate documentation of the low-income status of
11 students who participate in the program;

12 (e) Maintain communication with opportunity internship graduates of
13 the consortium who enroll in postsecondary programs of study; and

14 (f) Submit an annual report to the board on the progress of and
15 participation in the opportunity internship program of the consortium.

16 (3) Opportunity internship consortia are encouraged to:

17 (a) Provide paid opportunity internships, including during the
18 summer months to encourage students to stay enrolled in high school;

19 (b) Work with high schools to offer opportunity internships as
20 approved worksite learning experiences where students can earn high
21 school credit;

22 (c) Designate the local workforce development council as fiscal
23 agent for the opportunity internship program contract;

24 (d) Work with area high schools to incorporate the opportunity
25 internship program into comprehensive guidance and counseling programs
26 such as the navigation 101 program; and

27 (e) Coordinate the opportunity internship program with other
28 workforce development and postsecondary education programs, including
29 opportunity grants, the college bound scholarship program, federal
30 workforce investment act initiatives, and college access challenge
31 grants.

32 NEW SECTION. **Sec. 5.** A new section is added to chapter 28C.18 RCW
33 to read as follows:

34 On an annual basis, each opportunity internship consortium shall
35 provide the board with a list of the opportunity internship graduates
36 from the consortium. The board shall compile the lists from all
37 consortia and shall notify the higher education coordinating board of

1 the eligibility of each graduate on the lists to receive a state need
2 grant under chapter 28B.92 RCW if the graduate enrolls in a
3 postsecondary program of study within one year of high school
4 graduation.

5 NEW SECTION. **Sec. 6.** A new section is added to chapter 28C.18 RCW
6 to read as follows:

7 (1) On an annual basis, each opportunity internship consortium
8 shall provide the board with a list of the opportunity internship
9 graduates from the consortium who have completed a postsecondary
10 program of study, obtained employment in a high-demand occupation, and
11 remained employed for at least six months.

12 (2) The board shall verify the information on the lists from each
13 consortium. Subject to funds appropriated for this purpose, the board
14 shall allocate to each consortium an incentive payment of two thousand
15 dollars for each graduate on the consortium's list. In the event that
16 insufficient funds are appropriated to provide a full payment, the
17 board shall prorate payments across all consortia and shall notify the
18 governor and the legislature of the amount of the shortfall.

19 (3) Opportunity internship consortia shall use the incentive
20 payments to continue operating opportunity internship programs.

21 **Sec. 7.** RCW 28B.92.030 and 2004 c 275 s 35 are each amended to
22 read as follows:

23 As used in this chapter:

24 (1) "Institution or institutions of higher education" means:

25 (a) Any public university, college, community college, or technical
26 college operated by the state of Washington or any political
27 subdivision thereof; or

28 (b) Any other university, college, school, or institute in the
29 state of Washington offering instruction beyond the high school level
30 which is a member institution of an accrediting association recognized
31 by rule of the board for the purposes of this section: PROVIDED, That
32 any institution, branch, extension or facility operating within the
33 state of Washington which is affiliated with an institution operating
34 in another state must be a separately accredited member institution of
35 any such accrediting association, or a branch of a member institution
36 of an accrediting association recognized by rule of the board for

1 purposes of this section, that is eligible for federal student
2 financial aid assistance and has operated as a nonprofit college or
3 university delivering on-site classroom instruction for a minimum of
4 twenty consecutive years within the state of Washington, and has an
5 annual enrollment of at least seven hundred full-time equivalent
6 students: PROVIDED FURTHER, That no institution of higher education
7 shall be eligible to participate in a student financial aid program
8 unless it agrees to and complies with program rules and regulations
9 adopted pursuant to RCW 28B.92.150.

10 (2) "Financial aid" means loans and/or grants to needy students
11 enrolled or accepted for enrollment as a student at institutions of
12 higher education.

13 (3) "Needy student" means a post high school student of an
14 institution of higher education who demonstrates to the board the
15 financial inability, either through the student's parents, family
16 and/or personally, to meet the total cost of board, room, books, and
17 tuition and incidental fees for any semester or quarter. "Needy
18 student" also means an opportunity internship graduate as defined by
19 section 3 of this act who enrolls in a postsecondary program of study
20 as defined in section 3 of this act within one year of high school
21 graduation.

22 (4) "Disadvantaged student" means a post high school student who by
23 reason of adverse cultural, educational, environmental, experiential,
24 familial or other circumstances is unable to qualify for enrollment as
25 a full time student in an institution of higher education, who would
26 otherwise qualify as a needy student, and who is attending an
27 institution of higher education under an established program designed
28 to qualify the student for enrollment as a full time student.

29 (5) "Board" means the higher education coordinating board.

30 NEW SECTION. Sec. 8. A new section is added to chapter 28B.92 RCW
31 to read as follows:

32 (1) The board shall work with institutions of higher education to
33 assure that the institutions are aware of the eligibility of
34 opportunity internship graduates for an award under this chapter.

35 (2) If an opportunity internship graduate enrolls within one year
36 of high school graduation in a postsecondary program of study in an
37 institution of higher education, including in an apprenticeship program

1 with related and supplemental instruction provided through an
2 institution of higher education, the graduate is eligible to receive a
3 state need grant for up to one year. The graduate shall not be
4 required to be enrolled on at least a half-time basis. The related and
5 supplemental instruction provided to a graduate through an
6 apprenticeship program shall not be required to lead to a degree or
7 certificate.

8 (3) Except for the eligibility criteria for an opportunity
9 internship graduate that are provided under this section, other rules
10 pertaining to award of a state need grant apply.

11 (4) Nothing in this section precludes an opportunity internship
12 graduate from being eligible to receive additional state need grants
13 after the one-year grant provided in this section if the graduate meets
14 other criteria as a needy or disadvantaged student.

15 **Sec. 9.** RCW 28B.92.080 and 2007 c 404 s 1 are each amended to read
16 as follows:

17 Except for opportunity internship graduates whose eligibility is
18 provided under section 8 of this act, for a student to be eligible for
19 a state need grant a student must:

20 (1) Be a "needy student" or "disadvantaged student" as determined
21 by the board in accordance with RCW 28B.92.030 (3) and (4)~~((-))~~;

22 (2) Have been domiciled within the state of Washington for at least
23 one year~~((-))~~;

24 (3) Be enrolled or accepted for enrollment on at least a half-time
25 basis at an institution of higher education in Washington as defined in
26 RCW 28B.92.030(1)~~((-))~~;

27 (4) Until June 30, 2011, to the extent funds are specifically
28 appropriated for this purpose, and subject to any terms and conditions
29 specified in the omnibus appropriations act, be enrolled or accepted
30 for enrollment for at least three quarter credits or the equivalent
31 semester credits at an institution of higher education in Washington as
32 defined in RCW 28B.92.030(1)~~((-))~~; and

33 (5) Have complied with all the rules ~~((and regulations))~~ adopted by
34 the board for the administration of this chapter.

35 **Sec. 10.** RCW 28B.92.110 and 2004 c 275 s 40 are each amended to
36 read as follows:

1 A state financial aid recipient under this chapter shall apply the
2 award toward the cost of tuition, room, board, books, and fees at the
3 institution of higher education attended. An opportunity internship
4 graduate who enters an apprenticeship program may use the award for the
5 costs of related and supplemental instruction provided through an
6 institution of higher education, tools, and other costs associated with
7 the apprenticeship program.

8 NEW SECTION. Sec. 11. A new section is added to chapter 82.04 RCW
9 to read as follows:

10 (1) Subject to the provisions of this section, a credit is
11 authorized against the tax otherwise due under this chapter for persons
12 participating in an opportunity internship consortium that offer paid
13 internships of at least ninety hours in length to low-income high
14 school students through an opportunity internship program.

15 (2) The amount of the credit is the amount paid during the
16 reporting period as salary and wages to low-income high school students
17 for the opportunity internships, multiplied by 1.5 percent.

18 (3) A credit earned during one reporting period may be carried over
19 to subsequent reporting periods. Credits carried over must be applied
20 to tax liability before new credits. No refunds may be granted for
21 credits under this section.

22 (4) For the purposes of this section, "low-income high school
23 student" and "opportunity internship consortium" are as defined under
24 section 3 of this act and "opportunity internship program" shall be a
25 program established under sections 2 through 6 of this act.

26 NEW SECTION. Sec. 12. (1) The workforce training and education
27 coordinating board shall conduct an outcome evaluation of opportunity
28 internship programs. At a minimum, the analysis shall examine the
29 financial benefits of on-time graduation, youth employment while in
30 high school, postsecondary education enrollment and completion, and
31 adult employment in high-demand occupations compared to the local and
32 state costs of the programs.

33 (2) The board shall submit a preliminary analysis to the governor
34 and the education and higher education committees of the legislature by

1 December 1, 2012, and a final analysis by December 1, 2014.

--- **END** ---