

State of Arizona
Senate
Fifty-second Legislature
First Regular Session
2015

SENATE BILL 1285

AN ACT

AMENDING SECTIONS 41-1541 AND 41-1544, ARIZONA REVISED STATUTES; RELATING TO ARIZONA JOB TRAINING PROGRAMS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 41-1541, Arizona Revised Statutes, is amended to
3 read:

4 41-1541. Arizona job training program

5 A. The Arizona job training program is established in the Arizona
6 commerce authority. The program shall provide training for specific
7 employment opportunities with qualified new and expanding businesses and
8 businesses undergoing economic conversion **AND INTERNSHIP OPPORTUNITIES FOR**
9 **STUDENTS AND EDUCATORS IN SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS**
10 **FIELDS**. If job training employer tax monies are deposited in the Arizona job
11 training fund pursuant to section 23-769, the program may provide incumbent
12 worker training. The guidelines established pursuant to section 41-1543
13 shall provide additional weight for incumbent worker training applicants who
14 demonstrate that incumbent worker trainees will receive an increase in
15 compensation on completion of the training.

16 B. The chief executive officer shall implement the program and spend
17 monies in the Arizona job training fund established by section 41-1544.

18 C. The authority, the business receiving monies for training and the
19 provider of training shall design the training programs.

20 D. The business shall contribute monies or other appropriate
21 resources, including technical assistance, machinery or training space, as
22 follows:

23 1. For specific employment opportunities with qualified new and
24 expanding businesses and businesses undergoing economic conversion, in an
25 amount equal to at least twenty-five ~~per-cent~~ **PERCENT** of the estimated cost
26 of the proposed training.

27 2. For incumbent worker training, in an amount equal to at least fifty
28 ~~per-cent~~ **PERCENT** of the estimated cost of the proposed training.

29 **E. APPLICANTS FOR INTERNSHIP OPPORTUNITIES WITH BUSINESSES IN THE**
30 **SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS FIELDS MAY APPLY EACH FISCAL**
31 **YEAR FOR MONIES IN THE ARIZONA JOB TRAINING FUND IN AN AMOUNT EQUAL TO NOT**
32 **MORE THAN FIVE THOUSAND DOLLARS FOR EACH HIGH SCHOOL AND UNDERGRADUATE**
33 **STUDENT AND NOT MORE THAN EIGHT THOUSAND DOLLARS FOR EACH GRADUATE STUDENT OR**
34 **EDUCATOR.**

35 ~~E.~~ F. The authority shall not be a direct provider of the training
36 established pursuant to this article.

37 ~~F.~~ G. Training may be provided by the state community college system,
38 a private postsecondary educational institution licensed under title 32,
39 chapter 30, a community college operated by a tribal government or another
40 qualified training provider.

41 ~~G.~~ H. Before a business currently operating in this state is eligible
42 to receive training monies, the authority shall require the business to
43 maintain or exceed its current level of training expenditures.

1 Sec. 2. Section 41-1544, Arizona Revised Statutes, is amended to read:
2 41-1544. Arizona job training fund; definitions

3 A. The Arizona job training fund is established consisting of
4 legislative appropriations, monies deposited pursuant to section 23-769,
5 gifts, grants and other monies. The authority shall administer the fund. On
6 notice from the chief executive officer, the state treasurer shall invest and
7 divest monies in the fund as provided by section 35-313, and monies earned
8 from investment shall be credited to the fund.

9 B. The chief executive officer may accept and expend federal monies
10 and private grants, gifts and contributions to assist in carrying out the
11 purposes of this article. All monies for the program shall be expended only
12 for the costs related to training, except that the authority shall reimburse
13 the department of economic security for the development costs for
14 establishing a system to collect the job training employer tax imposed
15 pursuant to section 23-769 in an amount of not more than four hundred
16 thousand dollars and for incremental costs incurred by the department of
17 economic security relating to the collection of the job training employer tax
18 imposed pursuant to section 23-769. Monies in the Arizona job training fund
19 are exempt from the provisions of section 35-190 relating to lapsing of
20 appropriations.

21 C. The Arizona job training fund monies shall be spent on approval of
22 the authority at the direction of the chief executive officer in accordance
23 with the guidelines and procedures adopted by the governor's council on
24 workforce policy.

25 D. A minimum of twenty-five ~~per-cent~~ PERCENT of the monies
26 appropriated to the Arizona job training fund shall be used to provide
27 training to small businesses employing fewer than one hundred employees.

28 E. A minimum of twenty-five ~~per-cent~~ PERCENT of the monies
29 appropriated to the Arizona job training fund shall be used to provide
30 training to businesses located in rural areas of the state.

31 F. A MINIMUM OF FIFTY PERCENT OF THE BALANCE REMAINING IN THE ARIZONA
32 JOB TRAINING FUND FROM THE PRIOR FISCAL YEAR SHALL BE USED TO PROVIDE
33 INTERNSHIP STIPENDS PURSUANT TO SECTION 41-1541, SUBSECTION E. THE BALANCE
34 COMPUTED PURSUANT TO THIS SUBSECTION DOES NOT INCLUDE ANY MONIES THAT REVERT
35 TO THE ARIZONA JOB TRAINING FUND FROM EXPIRED JOB TRAINING GRANTS AND ANY
36 APPROVED OR UNSPENT JOB TRAINING GRANT MONIES.

37 ~~F.~~ G. If a business receives monies for training from the Arizona job
38 training fund and the business employs fewer than one hundred employees and
39 is located in a rural area of this state, the business shall be included in
40 the minimum percentages prescribed in subsections D and E of this section.

41 ~~G.~~ H. No more than fifty ~~per-cent~~ PERCENT of the monies in the
42 Arizona job training fund shall be used to provide incumbent worker training.

43 ~~H.~~ I. A single grant awarded pursuant to this article shall not be
44 more than ten ~~per-cent~~ PERCENT of the estimated annual total of monies
45 deposited in the Arizona job training fund.

1 ~~I.~~ J. The authority shall not approve grant monies for reimbursement
2 of the following employer costs:
3 1. Fringe benefits, food and beverages, recruitment and signing
4 bonuses for trainees and trainers.
5 2. Employer costs to complete a program application.
6 3. Except for small businesses, training expenses for partners or
7 corporate officers.
8 4. Employee relocation expenses.
9 5. Training or course development costs that are not part of the
10 employer's approved training plan.
11 6. Costs for assessing the training needs of employees.
12 7. Drug or other testing costs for employee screening or prescreening
13 purposes.
14 8. Costs for trade shows and conferences or seminars that do not
15 result in a skill certificate that is earned by an employee.
16 9. Other costs prohibited by rule.
17 ~~J.~~ K. For the purposes of this section:
18 1. "INTERNSHIP" MEANS EDUCATIONAL WORK-STUDY EXPERIENCE FOR STUDENTS
19 OR EDUCATORS IN SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS FIELDS THAT
20 PROVIDES REAL-WORLD EXPERIENCE AND THAT BUILDS ON EDUCATION RECEIVED OR
21 DELIVERED IN THE CLASSROOM.
22 ~~I.~~ 2. "Rural area" means either:
23 (a) A county with a population of less than seven hundred fifty
24 thousand persons ~~according to the most recent United States decennial census.~~
25 (b) A census county division with less than fifty thousand persons in
26 a county with a population of seven hundred fifty thousand or more persons
27 ~~according to the most recent United States decennial census.~~
28 ~~2.~~ 3. "Small business" means a concern, including its affiliates,
29 that employs fewer than one hundred employees.
30 Sec. 3. Effective Date
31 This act is effective from and after June 30, 2016.