



PROPOSED STUDY QUESTIONS Customized Workforce Training

State of Washington Joint Legislative Audit and Review Committee

December 2019



JLARC to review a B&O tax credit for certain businesses that provide customized workforce training

The 2006 Legislature directed JLARC staff to conduct performance audits of tax preferences. This preference is included in the 10-year review schedule set by the Citizen Commission for Performance Measurement of Tax Preferences.

Businesses that partner with the Washington State Board for Community and Technical Colleges to provide employee training may take a B&O tax credit valued at one-half of the cost of the training. Individual businesses are limited to \$500,000 in B&O tax credit per calendar year, but there is no statewide cap. Credits cannot be used after June 30, 2021.

Credits are intended to reduce up-front costs for new or expanding businesses

The Legislature created the B&O tax credit in 2006 when it established a new Customized Workforce Training program. The program was intended to help attract and retain businesses in Washington by helping them with employee training costs.

This study will answer the following questions in July 2020:

1. To what extent have Washington businesses used the Customized Workforce Training Credit?
2. How many and what types of businesses have used the credit?
3. How many employees have been trained, and what types of training has been provided under the program?
4. How many of the beneficiaries were new to the state compared to existing businesses?
5. How many businesses that used the preference have remained in the state?

Study Timeframe

Preliminary Report: July 2020

Proposed Final Report: December 2020

Study Team

Team Lead	Dana Lynn	(360) 786-5177	dana.lynn@leg.wa.gov
Research Analyst	Scott Hancock	(360) 786-5193	scott.hancock@leg.wa.gov
Project Coordinator	Eric Thomas	(360) 786-5182	eric.thomas@leg.wa.gov
Legislative Auditor	Keenan Konopaski	(360) 786-5187	keenan.konopaski@leg.wa.gov

JLARC Study Process

