

House Bill 2206

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Governor Theodore R. Kulongoski for Department of Community Colleges and Workforce Development)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes Skill Up Oregon Fund. Continuously appropriates moneys in fund to Department of Community Colleges and Workforce Development.

Establishes program to award grants to local and regional workforce investment boards to provide workforce training to individuals to become employed in high-demand occupations.

A BILL FOR AN ACT

1
2 Relating to Skill Up Oregon Fund; and appropriating money.

3 Whereas Oregon is in a competitive race with the rest of the world; and

4 Whereas China, India and many European countries are restructuring from industrial to
5 information-based economies and are investing to build the skills of their workers; and

6 Whereas key trends are creating a "quiet crisis" to which Oregon must respond, including
7 globalization, demographic shifts with an aging and more diverse workforce and advancing technol-
8 ogy that requires high levels of skills and more capacity of our education and workforce systems to
9 respond so Oregon workers can keep pace with the rest of the world; and

10 Whereas Oregon has more than 250,000 adults who are no longer in school and do not have a
11 high school diploma; and

12 Whereas approximately 26 percent of adults with low literacy speak English as a second lan-
13 guage and represent about four percent of the labor force; and

14 Whereas Skill Up Oregon will help Oregonians who need basic and technical skills prepare for
15 living wage opportunities; and

16 Whereas to be competitive, Oregon must prepare all of its citizens for tomorrow's jobs; now,
17 therefore,

18 **Be It Enacted by the People of the State of Oregon:**

19 **SECTION 1.** **Sections 2 and 3 of this 2007 Act are added to and made a part of ORS 660.300**
20 **to 660.339.**

21 **SECTION 2.** **(1) The Skill Up Oregon Fund is established separate and distinct from the**
22 **General Fund. Interest earned on moneys in the Skill Up Oregon Fund is retained in the**
23 **fund. All moneys in the fund shall be appropriated continuously to the Department of Com-**
24 **munity Colleges and Workforce Development for the purposes of this section and section 3**
25 **of this 2007 Act.**

26 **(2) The department may use the moneys in the fund for administrative costs.**

27 **SECTION 3.** **(1) The Department of Community Colleges and Workforce Development**
28 **shall award grants to local and regional workforce investment boards based on guidelines**
29 **developed by the State Workforce Investment Board for the WorkSource Oregon system in**
30 **cooperation with local and regional workforce investment boards.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **(2) The department shall determine the allocation of the grants among local and regional**
2 **boards based on the following local and regional factors:**

- 3 **(a) The size of the labor force;**
- 4 **(b) The unemployment rate; and**
- 5 **(c) The number of employers.**

6 **(3) The State Workforce Investment Board shall identify for each biennium a list of**
7 **high-demand occupations for which an individual may receive training using grant funds**
8 **awarded under this section. The board shall base the list on research, data and analysis**
9 **provided by the Employment Department and the Economic and Community Development**
10 **Department in reports and on projections for both new and replacement jobs.**

11 **(4) In determining the occupations to target within its region with grant funds for a**
12 **biennium, each local or regional board that receives a grant shall:**

- 13 **(a) Review the list of high-demand occupations created by the State Workforce Invest-**
14 **ment Board and compare the list with regional data and the regional investment plan;**
- 15 **(b) Consider employer needs, regional investment plans and targeted industry clusters;**
16 **and**
- 17 **(c) Give preference to occupations for which employers in the region have expressed**
18 **willingness to provide internships, paid employment or other work experience.**

19 **(5) Grant funds shall be used to address the needs of the following categories of transi-**
20 **tional workers:**

- 21 **(a) Unemployed workers, including both individuals receiving unemployment insurance**
22 **and individuals not receiving unemployment insurance;**
- 23 **(b) Dislocated workers; and**
- 24 **(c) Low-skilled workers.**

25 **(6) The purpose of the grants is to address work readiness, literacy and technical skills**
26 **of individuals. Local and regional boards may use the grants to:**

- 27 **(a) Assess individuals for gaps in work readiness, literacy and basic skills;**
- 28 **(b) Train individuals in work readiness, literacy and basic skills required to overcome**
29 **barriers to employment;**

30 **(c) Train individuals in technical skills that focus on occupations identified by local and**
31 **regional boards in the target industry clusters identified in regional investment plans; and**

32 **(d) Train individuals to provide the individuals with industry-recognized credentials that**
33 **will document the industry-related competencies, knowledge, skills and abilities that have**
34 **application in the high-demand occupations identified by the State Workforce Investment**
35 **Board.**

36 **(7) Local and regional boards shall provide training that prepares individuals to qualify**
37 **for skilled jobs that pay a median or higher wage for the region in one of the high-demand**
38 **occupations.**

39 **(8) Local and regional boards shall provide training to individuals on a first-come, first-**
40 **served basis, with priority going to those individuals who would no longer need public as-**
41 **sistance after training.**

42 **(9) A local or regional board may provide training to an individual for up to one year.**
43 **Each individual who receives training must take one class that is an internship or is work**
44 **experience with an employer.**

45 **(10) An individual may use training funds:**

- 1 **(a) For tuition;**
- 2 **(b) For books;**
- 3 **(c) For fees;**
- 4 **(d) To subsidize wages;**
- 5 **(e) For support services; and**
- 6 **(f) For additional training after the individual becomes employed if the training will ad-**
- 7 **vance the individual to the next level in the individual's career or prepare the individual for**
- 8 **advancement.**

9 **(11) Individuals who receive training in anticipation of acquiring a new job may receive**
10 **training only for jobs that meet the retention requirements established by the State**
11 **Workforce Investment Board and wage level requirements established in subsection (7) of**
12 **this section.**

13 **(12) An individual may receive no more than \$3,000 each biennium under this section.**

14 **(13) Local and regional boards may use grant funds for the administrative costs of the**
15 **program. The Department of Community Colleges and Workforce Development may limit the**
16 **percentage of grant funds that may be used for administrative costs by a local or regional**
17 **board.**

18 **(14) Local and regional boards shall report to the department on the use of grant funds**
19 **and performance measures required by the State Workforce Investment Board.**

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