

House Bill 3396

Sponsored by COMMITTEE ON BUSINESS AND LABOR (at the request of Northwest Workers' Justice Project)

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**.

Changes provisions relating to eligibility of dislocated workers for training and changes type of training provided. Modifies eligibility of part-time workers for unemployment benefits if workers seek additional education. Limits amount expended each biennium for benefits paid to eligible workers.

A BILL FOR AN ACT

1
2 Relating to training for unemployment insurance claimants; creating new provisions; amending ORS
3 329.920, 657.335, 657.337, 657.340, 657.345 and 657.350; and repealing ORS 657.342.

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

5 **SECTION 1.** ORS 657.335 is amended to read:

6 657.335. As used in ORS 657.335 to 657.360:

7 [(1) "Eligible dislocated workers" means individuals who:]

8 [(a) Have been terminated or laid off or who have received a notice of termination or layoff; are
9 eligible for or have exhausted their entitlement to unemployment compensation and are unlikely to re-
10 turn to their previous industry or occupation;]

11 [(b) Have been terminated or have received a notice of termination of employment, as a result of
12 any permanent closure of or any substantial layoff at a plant, facility or enterprise;]

13 [(c) Are long term unemployed and have limited opportunities for employment or reemployment in
14 the same or a similar occupation in the area in which such individuals reside, including older indi-
15 viduals who may have substantial barriers to employment by reason of age;]

16 [(d) Were self-employed, including farmers and ranchers, and are unemployed as a result of general
17 economic conditions in the community in which they reside or because of natural disasters; or]

18 [(e) Returned to service in the Oregon National Guard or the military reserve forces of the United
19 States following active duty service as set forth in ORS 657.340 (3)(d).]

20 [(2) "Professional technical training" means professional and technical training or retraining and
21 basic education, including literacy skills, designed to prepare individuals for gainful employment in
22 recognized or new occupations or to prepare individuals to become self-employed. The term does not
23 include programs of instruction for an individual (including transfer credit programs of instruction
24 given at community colleges) which are primarily intended to lead toward a baccalaureate or higher
25 degree or training that has for its purpose the preparation of individuals for employment in occupations
26 which require a baccalaureate or higher degree from institutions of higher education unless approved
27 by the Director of the Employment Department.]

28 **(1) "Eligible workers" means individuals who are unemployed as described in ORS 657.100
29 and eligible for benefits under ORS 657.150 unless otherwise disqualified under this chapter.**

30 **(2) "Skills gap training" means:**

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 **(a) Training and education that provides occupation-specific skills required in growth and**
 2 **demand occupations, as determined by the Director of the Employment Department.**

3 **(b) Retraining and basic education, including literacy skills, designed to enhance an indi-**
 4 **vidual’s potential or to prepare an individual for gainful employment or self-employment.**

5 **SECTION 2.** ORS 657.337 is amended to read:

6 657.337. [(1) *The state’s economic stability is often threatened when workers are being displaced*
 7 *from the workforce and the workers and their families face hardship and serious social and health*
 8 *problems.*]

9 [(2) *The policy of the state is to promote workforce development by providing eligible dislocated*
 10 *workers with unemployment compensation and related benefits while they are receiving professional*
 11 *technical training so that they can continue to care for their families and obtain employment.*]

12 [(3) *The Employment Department and the Department of Community Colleges and Workforce De-*
 13 *velopment will implement the necessary strategies, systems and structures that will provide consol-*
 14 *idated, streamlined delivery of these services to dislocated workers.*]

15 [(4) *It is the policy of the state to encourage the movement of workers into higher wage jobs.*]

16 [(5) *It is the policy of the state to make the best use of currently existing service delivery vehicles,*
 17 *training programs and assessment devices to provide services to eligible dislocated workers.*]

18 [(6) *In order to assist eligible dislocated workers to continue or complete professional technical*
 19 *training, individuals who meet the requirements of ORS 657.335 to 657.360 are eligible for supplemental*
 20 *benefits as provided in ORS 657.340.*]

21 **(1) The State of Oregon recognizes that a segment of the population faces difficulty in**
 22 **gaining or maintaining employment due to lack of skills or education and that development**
 23 **of new skills allows that segment of the population to better adapt to advancements in**
 24 **technological improvements and the effects of automation in the workplace and business or**
 25 **industry relocation.**

26 **(2) It is the policy of this state to promote economic vitality and workforce development**
 27 **by providing eligible unemployed workers with unemployment insurance and employment**
 28 **services while these workers are receiving skills gap training or other education in order to**
 29 **obtain employment and to be self-sufficient.**

30 **SECTION 3.** ORS 657.340 is amended to read:

31 657.340. (1)(a) [*Dislocated workers approved for professional technical*] **Eligible workers in skills**
 32 **gap training or approved for skills gap** training may not be denied unemployment insurance ben-
 33 efits solely because [*they*] **these workers** are attending [*professional technical*] training. [, *nor shall*
 34 *such individual*]

35 **(b) Eligible workers may not be denied unemployment insurance** benefits by reason of
 36 leaving work to enter [*such*] **skills gap** training if the work left was part-time or temporary or paid
 37 less than [*80 percent of the individual’s average weekly wage during the base year*] **110 percent of**
 38 **the hourly minimum wage.**

39 **(c) Eligible workers in skills gap training or approved for skills gap training may not be**
 40 **denied unemployment insurance benefits for refusing to accept work if the work offered is**
 41 **part-time or temporary or pays less than 110 percent of the hourly minimum wage.**

42 (2) Notwithstanding provisions of this chapter relating to availability for work, actively seeking
 43 work or refusal to accept suitable work, [*dislocated*] **eligible workers who are in or** approved for
 44 [*professional technical*] **skills gap** training and **who are** otherwise eligible for **unemployment** ben-
 45 efits are not ineligible for [*such*] **the** benefits or waiting week credit because of attendance in [*pro-*

1 *professional technical]* **the** training.

2 [(3)(a) *Eligible dislocated workers who file valid unemployment compensation claims, upon ex-*
 3 *haustion of regular benefits, are eligible, subject to the availability of funds, for supplemental benefits*
 4 *from 1 to 26 times the individual's most recent weekly benefit amount based upon the amount needed*
 5 *to continue or complete approved professional technical training.*]

6 [(b) *Supplemental benefits shall be paid under the same terms and conditions as regular benefits*
 7 *under this chapter, except that the Director of the Employment Department may extend the benefit year*
 8 *of an individual attending an approved professional technical training program a sufficient number of*
 9 *weeks to allow the individual to complete the training program.*]

10 [(c) *Supplemental benefits under ORS 657.335 to 657.360 may be paid only when the eligible dis-*
 11 *located worker is not eligible to receive extended benefits as provided in ORS 657.321 to 657.329 or*
 12 *additional benefits as provided in ORS 657.331 to 657.334.*]

13 [(d) *Supplemental benefits may be paid only to eligible dislocated workers whose unemployment,*
 14 *as determined by the director:*]

15 [(A) *Is substantially due to the lack of employment opportunities in the workers' local labor market*
 16 *resulting from:*]

17 [(i) *High energy costs;*]

18 [(ii) *Extended drought conditions and the attendant economic conditions;*]

19 [(iii) *Secondary effects of foreign trade; or*]

20 [(iv) *A shift of production to another state or territory of the United States; or*]

21 [(B) *Resulted from the workers' return to service in the Oregon National Guard or military reserve*
 22 *forces of the United States following a change in status from serving under Title 32 to serving under*
 23 *Title 10 of the United States Code at a time designated by the President of the United States by exec-*
 24 *utive order as a period of combatant activities.*]

25 [(4) *The receipt of supplemental benefits is conditioned upon the individual's demonstrating satis-*
 26 *factory progress and attendance in professional technical training.*]

27 **SECTION 4.** ORS 657.345 is amended to read:

28 657.345. (1) Individuals who are identified as dislocated workers under the federal Workforce
 29 Investment Act of 1998 (29 U.S.C. 2801 et seq.), *and* **or** implementing regulations[,] and who attend
 30 training programs identified under the Act **shall be considered to be eligible workers as defined**
 31 **in ORS 657.335 and** shall be considered to be in approved [*professional technical*] **skills gap** training.
 32 [*The training*] **Attendance by individuals in training programs identified in this subsection**
 33 **shall be for occupations or skills for which there are or are expected to be reasonable employment**
 34 **opportunities in the area or in another area to which the individual is willing to relocate or which**
 35 **relate to the development of a self-employment enterprise for which there is reasonable opportunity**
 36 **for success.**

37 **(2) Individuals who attend employer-provided training that meets all labor or employment**
 38 **law requirements applicable to employer-provided training are considered to be in approved**
 39 **skills gap training.**

40 [(2)] (3) In approving [*professional technical*] **skills gap** training for eligible [*dislocated*] workers
 41 who do not attend training programs identified in subsection (1) of this section, the Director of the
 42 Employment Department shall require:

43 (a) That the [*professional technical*] **skills gap** training relates to an occupation or skill for
 44 which there are, or are expected to be, reasonable employment opportunities in this state or relates
 45 to the development of a self-employment enterprise for which there is a reasonable opportunity for

1 success.

2 (b) That the individual has the qualifications and aptitudes to successfully complete [*such pro-*
3 *fessional technical*] **the skills gap** training.

4 **SECTION 5.** ORS 657.350 is amended to read:

5 657.350. The Director of the Employment Department[, *in consultation with the Department of*
6 *Community Colleges and Workforce Development,*] shall promulgate rules as necessary for the ad-
7 ministration of ORS 657.335 to 657.360, including but not limited to procedures for approval, under-
8 taking periodic reviews for continued approval, or for disapproval of [*professional technical*] training
9 for [*an individual*] **eligible workers. The director shall consult with the Department of Com-**
10 **munity Colleges and Workforce Development on rulemaking to ensure that all programs for**
11 **eligible workers provide integrated and appropriate skills gap training and other training and**
12 **education.**

13 **SECTION 6.** Section 7 of this 2007 Act is added to and made a part of ORS 657.335 to
14 **657.360.**

15 **SECTION 7.** Except for individuals in approved training under ORS 657.345 (1) and 657.357,
16 the total amount of benefits payable to individuals under ORS 657.335 to 657.360 may not ex-
17 ceed \$7 million for each biennium.

18 **SECTION 8.** ORS 329.920 is amended to read:

19 329.920. (1) The Education and Workforce Policy Advisor and the regional workforce commit-
20 tees, with the advice and participation of partner agencies, are responsible for furthering the poli-
21 cies, goals and objectives of this state as described in ORS 329.905 and 329.915.

22 (2) The advisor and the committees shall help ensure achievement of this state's goals and ob-
23 jectives by effective and efficient coordination and oversight of all the employment-related training,
24 education and job placement programs of this state.

25 (3) As used in this section, "partner agencies" means those agencies that are recipients of
26 workforce development funds under ORS 329.905 to 329.920[,] **and** 329.930 to 329.975 [*and 657.337*].

27 **SECTION 9.** ORS 657.342 is repealed.
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