2009 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 3300 STATUS: B-Engrossed

SUBJECT: Promoting the growth of green jobs

GOVERNMENT UNIT AFFECTED: Department of Community Colleges and Workforce Development, Governor's Office, Oregon Economic and Community Development Department

PREPARED BY: Erica Kleiner REVIEWED BY: Steve Bender

DATE: June 1, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES:		
Department of Community Colleges and Workforce Development		
Professional Services – Federal Funds \$	150,000	\$ 0
Total \$	150,000	\$ 0

EFFECTIVE DATE: On passage

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: House Bill 3300 directs the State Workforce Investment Board to consult with the Governor and the Education and Workforce Policy Advisor, along with other parties, to develop a plan for a green jobs growth initiative to promote the development of emerging technologies and innovations that lead to, create or sustain family wage green jobs; the final plan and progress reports must be submitted to the appropriate interim committees of the Legislative Assembly no later then January 14, 2010. The measure requires the board and supporting entities to develop a list of defined terms related to green jobs and the green economy that are consistent with current workforce development and economic development technology. The measure directs the Economic and Community Development Department (OECDD) to consult with the State Workforce Investment Board to develop criteria for existing investments and new or expanded financial incentives and comprehensive strategies to recruit, retain and expand green economy industries and small businesses and to make recommendations for new or expanded financial incentives and comprehensive strategies to stimulate research and development of green technology and innovation. The costs associated with the provisions of this measure are the responsibility of the Governor's Office and shall be paid for from moneys available for disbursement at the Governor's discretion. The provisions of this measure take effect on passage.

The Department of Community Colleges and Workforce Development (CCWD) estimates that a consultant would be required to manage the development of the plan under the direction of the board at a cost of \$150,000. The consultant would manage a highly complicated process of agency, interest group and individual input into the development of the strategy. The consultant will be responsible for convening stakeholders, meeting arrangements, travel around the state, writing and producing a finished report. CCWD would use existing resources within its budget to provide support to the efforts of the State Workforce Investment Board to develop the green jobs growth initiative plan for the 2009-11 biennium. The board is the overall advisory board to the Governor on workforce matters and is made up of leaders representing private sector businesses, labor, state, local governments and government

agencies. CCWD has received federal funding from the U.S. Department of Labor that it can devote to the development of the green jobs growth initiative plan by the board. Devoting a portion of the U.S. Department of Labor funds specifically for the purpose of developing the plan required by this measure would come at the expense of other potential uses of federal Workforce Investment Act (WIA) Title IB dollars to support adults, youth, and dislocated workers workforce programs. CCWD already directs a portion of this federal funding to the Governor's Employer Workforce Training Fund (EWTF), which is used for a variety of projects; the plan associated with this measure would be one of these projects.

OECDD would be required to develop the criteria and recommendations regarding promoting green industries, technology, and innovation. OECDD reports that its staff would be required to participate in the development of the green jobs initiative plan; develop the criteria for strategies to recruit, retain, and expand green economy industries and small businesses; make recommendations for new and expanded financial incentives and strategies to stimulate research and development of green technology; and coordinate criteria and recommendations for the promotion of green industries, technology, and innovation with OECDD's target plans. OECDD reports that it can absorb this work within existing resources.

There is no fiscal impact to the Governor's Office as a result of this measure.