## 76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session MEASURE: SB 175 A STAFF MEASURE SUMMARY CARRIER:

Senate Committee on Education & Workforce Development

**REVENUE:** No revenue impact **FISCAL:** Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed and Request Measure Be Referred to the

Committee on Ways and Means

**Vote:** 5 - 0 - 0

Yeas: Bonamici, George, Morse, Shields, Hass

Nays: 0 **Exc.:** 0

**Prepared By:** Linda Lindholm, Administrator

**Meeting Dates:** 3/22, 4/19, 4/21

WHAT THE MEASURE DOES: Creates Oregon Employer Workforce Training Program and Oregon Youth Employment Program in Department of Community Colleges and Workforce Development (CCWD). Outlines purposes and requires CCWD to adopt rules for programs. Charges local workforce investment boards with local management of programs created. Requires private sector funding equal to state funding for Oregon Employer Workforce Training Fund. Establishes Oregon Employer Workforce Training Fund and Oregon Youth Employment Program Fund in State Treasury.

## **ISSUES DISCUSSED:**

- Workforce and industry partnerships and consortiums
- Leverage and return on investment
- Training youth and current workers
- Economic impact on community
- Economic development

**EFFECT OF COMMITTEE AMENDMENT:** Removes On-the-Job Training Programs. Clarifies that funding is subject to availability. Directs CCWD to create and operate Oregon Employer Workforce Training Programs. Directs local workforce investment boards to manage programs.

**BACKGROUND:** Approximately 200,000 Oregonians are out of work. Oregon WorkSource Centers served over 350,000 Oregonians last year. When dislocated workers return to the workforce, necessary job skills may be changed due to new technologies, new processes and procedures and different staffing patterns. The measure's goals are to assure that businesses have a skilled workforce and to provide unemployed Oregonians with the training to complete for jobs created by Oregon companies. Oregon Workforce Partnership proposes programs based on proven scalable models.

The Youth Employment Program provides work experience and develops readiness skills. Studies prove that jobless youth face lower life-long earnings, experience higher incidences of behavior issues and have difficulty getting ahead in their careers. A 2009 pilot program funded with \$15 million in American Reinvestment and Recovery Act resources put 4,000 Oregon youth to work, bringing a return of \$1.46 per dollar invested back to their communities. A Department of Human Services program serving teen parents brought similar results.

Employer Workforce Training Fund is a federally funded model, with local companies matching grants to leverage training dollars to address current worker needs and increase business competitiveness. Federal funding allowed Oregon to test this program over seven years, and it was well received by business. Senate Bill 175-A creates the Youth Employment Program and the Employer Workforce Training Fund. Though the measure does not appropriate funding, it puts forward foundational statutes to assist in obtaining federal and business funds.