

Senate Bill 175

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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**.

Creates Oregon On-the-Job Training Program, Oregon Employer Workforce Training Program and Oregon Youth Employment Program in Department of Community Colleges and Workforce Development. Requires department to adopt rules for programs. Charges local workforce development boards with local management of programs created.

Establishes Oregon On-the-Job Training Fund, Oregon Employer Workforce Training Fund and Oregon Youth Employment Fund. Continuously appropriates moneys in funds to department for purposes of programs.

A BILL FOR AN ACT

1 Relating to workforce training; and appropriating money.

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

3 **SECTION 1. Sections 2 to 7 of this 2011 Act are added to and made a part of ORS 660.300**
4 **to 660.364.**

5 **SECTION 2. (1) There is created in the Department of Community Colleges and**
6 **Workforce Development the Oregon On-the-Job Training Program. Subject to the availability**
7 **of funding, the department shall create and operate, and local workforce development boards**
8 **shall manage, the program to provide:**

9 **(a) Employees with on-the-job training that allows employees to develop essential job-**
10 **specific skills, work experience and industry recognized credentials for employment in**
11 **sustainable high-demand occupations; and**

12 **(b) Qualified employers with reimbursement for the cost of training new employees in the**
13 **skills necessary for employment.**

14 **(2) An individual seeking employment in this state is eligible to participate in the pro-**
15 **gram if the individual:**

16 **(a) Is a resident of this state;**

17 **(b) Has completed registration and an initial skills review provided by or affiliated with**
18 **the Employment Department;**

19 **(c) Has earned Oregon Career Readiness Program certification as provided by ORS**
20 **660.343;**

21 **(d) Meets the hiring requirements for a position for which on-the-job training expense**
22 **reimbursement is sought under this section; and**

23 **(e) Is hired for the position.**

24 **(3) Oregon employers are eligible for reimbursement of on-the-job training expenses for**
25 **eligible employees if the employer:**

26 **(a) Has job listings posted with the Employment Department;**
27

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 (b) Provides opportunities for career advancement for eligible employees; and

2 (c) Has the ability to develop and monitor a training plan for new hires.

3 (4)(a) An employer may receive reimbursement from the program for on-the job training
4 expenses of an eligible employee if the employer has hired the employee and entered into a
5 formal on-the-job training plan with the employee.

6 (b) An employer may receive reimbursement of on-the-job training expenses under this
7 subsection in an amount up to 50 percent of the wages paid to the eligible employee during
8 the first six months of employment.

9 (c) Reimbursement under paragraph (b) of this subsection:

10 (A) May not exceed \$5,000; and

11 (B) Shall be made in the following two equal payments:

12 (i) The first payment shall be made when the employee successfully completes the on-
13 the-job training plan; and

14 (ii) The second payment shall be made when the employer retains the employee for a
15 period of not less than 90 days after the completion of the on-the-job training plan.

16 (5)(a) Local workforce development boards responsible for managing on-the-job training
17 plans developed in the program shall collect data on the on-the-job training plans managed
18 by the board that includes, but is not limited to:

19 (A) The number of employees and employers participating in the plans;

20 (B) The amount of reimbursement provided; and

21 (C) The number of employees who have participated in the plans and obtained permanent
22 employment with the eligible employer.

23 (b) Local workforce development boards that collect data under this subsection shall
24 provide the data to the department.

25 (6) The department shall adopt rules for the implementation and operation of the pro-
26 gram created under subsection (1) of this section.

27 **SECTION 3.** The Oregon On-the-Job Training Fund is established in the State Treasury,
28 separate and distinct from the General Fund. Interest earned by the Oregon On-the-Job
29 Training Fund shall be credited to the fund. Moneys in the fund are continuously appropri-
30 ated to the Department of Community Colleges and Workforce Development for the purposes
31 of section 2 of this 2011 Act.

32 **SECTION 4.** (1) There is created in the Department of Community Colleges and
33 Workforce Development the Oregon Employer Workforce Training Program. Subject to the
34 availability of funding, the department shall create and operate, and local workforce devel-
35 opment boards shall manage, the program for the purpose of:

36 (a) Assisting businesses, industries and consortia of businesses and industries in imple-
37 menting projects that identify and provide common, cost-effective solutions to the issues of
38 employee training, retention and advancement;

39 (b) Maximizing the utilization of public and private resources for providing training to
40 persons employed by participants in a project in skills that are responsive to the need of
41 businesses and industries in Oregon to become and to remain competitive on the national
42 and international level;

43 (c) Responding to the need of workers in Oregon to develop current job skills necessary
44 to meet the current and future needs of employers; and

45 (d) Allowing businesses and industries to maximize their return on investments in

1 training by avoiding unnecessary duplication of training efforts.

2 (2)(a) Businesses in industries identified in the plans developed by local workforce in-
 3 vestment boards as required by ORS 660.327 are eligible to participate in projects selected for
 4 participation in the program.

5 (b) Priority for approval of projects submitted under this subsection shall be given to
 6 businesses in industries that have the greatest impact on the local economy and emerging
 7 green jobs.

8 (3) Local workforce investment boards shall:

9 (a) Identify businesses, industries and consortia of businesses and industries for potential
 10 participation in the program;

11 (b) Develop and implement an application process for projects proposed for the program;

12 (c) Use the public procurement process set out in ORS chapter 279B for agreements en-
 13 tered into with participants in the program;

14 (d) Identify the proposed projects that are most economically advantageous to the local
 15 workforce investment area;

16 (e) Require that participants in the project match at least 25 percent of the cost of the
 17 project through private sector funding; and

18 (f) Track and report to the department the outcomes of projects implemented in the local
 19 workforce investment area, including, but not limited to:

20 (A) The number of businesses participating in approved projects;

21 (B) The number and types of projects completed;

22 (C) The number of employees receiving training;

23 (D) The number of jobs retained or created by the businesses participating in the project;
 24 and

25 (E) The value of the private sector funding provided.

26 (4) The department shall adopt rules necessary for the implementation and operation of
 27 the program created under subsection (1) of this section. The rules shall include, but are not
 28 limited to, a process by which moneys may be appropriated and allocated to the local
 29 workforce investment boards to support projects identified by the local workforce investment
 30 boards under subsection (3) of this section as being most economically advantageous to the
 31 local workforce investment area.

32 **SECTION 5.** The Oregon Employer Workforce Training Fund is established in the State
 33 Treasury, separate and distinct from the General Fund. Interest earned by the Oregon Em-
 34 ployer Workforce Training Fund shall be credited to the fund. Moneys in the fund are con-
 35 tinuously appropriated to the Department of Community Colleges and Workforce
 36 Development for the purposes of section 4 of this 2011 Act.

37 **SECTION 6.** (1) There is created in the Department of Community Colleges and
 38 Workforce Development the Oregon Youth Employment Program. Subject to the availability
 39 of funding, the department shall create and operate, and local workforce development boards
 40 shall manage, the program to provide meaningful work experience and workforce training for
 41 persons between the ages of 14 and 24.

42 (2) The program shall provide to participants in the program case management and sup-
 43 port services that include, but are not limited to:

44 (a) Developing an individual development plan for the participant that outlines work
 45 readiness, career and educational goals;

1 **(b) Work readiness instruction;**

2 **(c) Twelve weeks of paid internships or other work experience; and**

3 **(d) Academic support for earning high school graduation credit, completion of a General**
4 **Educational Development (GED) certificate program or earning college credit for work ex-**
5 **perience or internships provided through the program.**

6 **(3) The program:**

7 **(a) Must include representatives of the business community in the planning, implemen-**
8 **tation and evaluation of the program.**

9 **(b) May provide for public and private sector employment opportunities.**

10 **(c) Shall be managed by local workforce investment boards in a manner that coordinates**
11 **regional state-sponsored youth work experience programs.**

12 **(4) Local workforce investment boards responsible for managing the program shall pro-**
13 **vide training for business, labor and education leaders in the use of best practices that en-**
14 **sure positive work experiences for participants.**

15 **(5) The department shall collaborate with the State Workforce Investment Board and the**
16 **local workforce investment boards to collect data on youth work experience programs that**
17 **identify successful work experiences and allow for the identification and dissemination of the**
18 **most promising practices. The data collected shall also include the number of participants**
19 **in the program, the number of participants that complete the program, the cost of**
20 **internships and other work experiences provided, the academic credit earned by participants**
21 **and the number of General Educational Development (GED) certificates earned by partic-**
22 **ipants.**

23 **(6) The department shall adopt rules necessary for the implementation and operation of**
24 **the program created under subsection (1) of this section. The rules shall include, but are not**
25 **limited to, establishing eligibility criteria for persons participating in the program.**

26 **SECTION 7.** **The Oregon Youth Employment Fund is established in the State Treasury,**
27 **separate and distinct from the General Fund. Interest earned by the Oregon Youth Em-**
28 **ployment Fund shall be credited to the fund. Moneys in the fund are continuously appropri-**
29 **ated to the Department of Community Colleges and Workforce Development for the purposes**
30 **of section 6 of this 2011 Act.**

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