

April 3, 2013

Senator Rod Monroe, Co-Chair, Ways and Means Subcommittee on Education
Representative Betty Komp, Co-Chair, Ways and Means Subcommittee on Education
H-178
Legislative Fiscal Office
State Capitol

Re: HB 5019 – Community Colleges and Workforce Development

Dear Senator Monroe, Representative Betty Komp, and Members of the Ways and Means Subcommittee on Education:

Thank you for the opportunity to testify today in support of HB 5019 which includes the Governor's proposed \$10 million investment in workforce development. I am submitting this written testimony as follow-up to my verbal testimony today.

The Association of Oregon Counties believes workforce development is essential to employing our citizens in family wage jobs and advancing our economic development goals. Local areas will benefit from over 90% of this workforce funding proposal which includes:

- \$3.2 million to continue the successful Back to Work Oregon program
- Expanding the capacity to administer and increase issuance of the National Career Readiness Certificate to an additional 60,000 Oregonians
- \$2 million for implementation of Certified Work Ready Communities; and
- \$2 million for implementation of sector strategies.

Since Back to Work Oregon was launched in 2011 as a result of a \$3.28 million investment from the Legislature and matched by Local Workforce Investment Boards, nearly 1,400 Oregonians have found employment. This translated into \$3.8 million in additional annual tax revenues and reducing the burden for unemployment and human service related payments.

Certified Work Ready Communities provides for community based solutions to enhance the competitiveness of local industries by improving worker skills. The program is built on the National Career Readiness Certificate which was put into statute by the legislature in a previous session. Data on the initial implementation of the program

show that job seekers who earn a National Career Readiness Certificate are more likely to be employed than job seekers who did not. Funding will mean that at least two-thirds of Oregon counties are certified as “work ready” in three years.

Sector Strategies will allow Local Workforce Investment Boards to align economic, education and training systems to meet the needs of local and regional employment sectors. This will result in more Oregonians having the skills to compete for jobs in high growth, high demand industries.

We understand that some organizations have raised concerns that the Governor’s proposed \$10 million investment into the programs outlined above diverts money from services for the unemployed. This investment is designed specifically to help the unemployed get back to work more quickly in recovering industries.

In summary, we strongly support the Governor’s proposed \$10 million investment in workforce development. Investing in the Local Workforce Investment Areas translates into local, effective and targeted employment and training strategies. As a result workers and businesses will gain access to workforce skills necessary to compete in a global economy.

Sincerely,

Ann Hanus
Policy Manager

Cc:
Agnes Balassa, Governor’s Workforce Policy Advisor
Jordana Barclay, Oregon Workforce Partnership
Mike McArthur, Executive Director, AOC
Doug Wilson, Legislative Fiscal Office

