

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 5 - 0 - 0

Yeas: Beyer, Knopp, Kruse, Roblan, Hass

Nays: 0

Exc.: 0

Prepared By: Richard Donovan, Administrator

Meeting Dates: 2/11, 2/13

WHAT THE MEASURE DOES: Declares state public policy to promote coordinated provision of education, employment and job training. Mandates inclusion of community colleges and public and private universities. Mandates that Governor appoint one member to State Workforce Investment Board who represents a local workforce investment board. Clarifies expectations delivery from state to agencies and local boards. Details requirements of local plan submitted to Governor. Describes appropriate labor market information activities. Assigns new duties to State Workforce Investment Board. Abolishes regional workforce committees. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Goal of aligning programs more effectively; increase transparency, responsibility
- Requirement to have strategic plan approved as enabling a direct line of accountability from state board level to local board level
- History of measure, from House Bill 4141 (2012) which generated 15 recommendations; 14 of those recommendations incorporated into the measure
- One recommendation not incorporated, regarding Workforce Investment Title I funds; that recommendation being reviewed further
- Desire for community colleges to maintain past close ties to Workforce Investment Boards

EFFECT OF COMMITTEE AMENDMENT: Mandates inclusion of community colleges and public and private universities. Mandates that Governor appoint one member to the State Workforce Investment Board who represents a local workforce investment board. Clarifies expectations delivery from state to agencies and local boards. Details requirements of local plan submitted to Governor. Describes appropriate labor market information activities.

BACKGROUND: In December, 2011 Governor Kitzhaber directed the Oregon Workforce Investment Board (OWIB) to update the workforce development system to achieve better outcomes for Oregon's businesses and citizens. House Bill 4141 (2012) required a report on the status of the workforce system and recommendations for improvements. In response, the OWIB adopted the Workforce Development Strategic Plan for 2012-2022. In 2013, a Workforce System Redesign Work Group (Work Group) was formed, consisting of leadership from the state workforce agencies, the Governor's Office, and representatives from Local Workforce Investment Boards. Public Financial Management (PFM) was contracted to identify the barriers to achieving the mandates in the OWIB plan, and to address these barriers. PFM made 16 separate findings regarding the current state of the workforce system resulting in 20 recommendations. The Work Group adopted 15 recommendations to refer to the OWIB to improve services to jobseekers and businesses.

Senate Bill 1566-A addresses PFM findings that the current workforce system suffers from a lack of clear governance by clarifying the role of the OWIB as an oversight body for employment and other workforce development services. The measure provides the board the ability to enter into compacts for performance with the local service delivery system and eliminates long standing confusion regarding the difference between Local Workforce Investment Boards and Regional Workforce Investment Boards.

2/14/2014 2:44:00 PM

This summary has not been adopted or officially endorsed by action of the committee.