

Chairman Read, Members of the Committee

My name is Jim Piro and I am President and CEO of Portland General Electric.

I am also currently serving as Chair of the STEM Investment Council and it is in that capacity that I am testifying today in support of HB 2728 which would establish the Oregon Talent Council. You have previously heard from Maureen Fallt from PGE on the importance of the Oregon Talent Council to our company and the energy industry.

The STEM Investment Council was established in 2012 by HB 2636 for the purpose of both developing strategic policy and making recommendations to the Chief Education Officer and the Oregon Education Investment Board in order to achieve the following goals:

1. Double math and science achievement scores for Oregon students at the 4th and 8th grade level by 2025
2. Double the number of STEM degrees /certificates for Oregon students by 2025

In addition, the STEM Investment Council is to oversee the management of STEM Investment Funds to assist in the achievement of these goals and outcomes for our students.

The 9 member STEM Investment Council made up of individuals from the business community were appointed in October 2013 and we have spent most of 2014 learning about some of the programs that are starting to make a difference in the outcomes we want to achieve and discussing broader strategies to achieve these goals. There is some good work going on in the state but the bottom line is that it is in small pockets and many children are not being exposed to a learning experience to stimulate their interest in CTE/STEM Careers.

The Council is currently developing our Strategic Plan, identifying sources of consistent and meaningful data and metrics to measure student performance and outcomes, and developing a communications plan to inform our parents and students on the opportunities that exist in CTE/STEM fields. We have also worked closely with Nancy Golden, the Chief Education Officer, the Oregon Education Investment Board (OEIB), and the governor's office on recommendations that were included in the governor's budget for funding in the next biennium to start down a path to achieve these goals. Our recommendations, including funding, were in three areas.

1. Expand the number of regional STEM HUBS to 12 and improve their effectiveness
2. Invest in promising programs that can be moved to scale to support and achieve our desired goals and outcomes
3. Invest in post-secondary programs that improve recruitment and retention of STEM students especially for both women and students of color and poverty

The STEM Investment Council has also been very supportive and engaged in the conversation on the importance of restarting Career Technical Education (CTE) programs in both middle schools and high schools. CTE programs are not just for CTE careers but are also both essential and critical in developing STEM graduates. The importance of CTE and its connection to the

outcomes we are trying to achieve are paramount because of the developmental importance of hands on learning for our students. I have had discussions with Senator Dembrow on the potential of reconstituting the STEM Investment Council to create a CTE/STEM Investment Council because of this important linkage.

The market demand for STEM related occupations is well documented. Based upon a Oregon Employment Department study dated March 2014 there are over 70,000 jobs in STEM fields over the next 10 years (or roughly 7,000 jobs per year) half are for the retiring employees and the other half are for new job growth opportunities. In comparison to the annual demand, the annual supply of Oregon students with STEM degrees is roughly 1,000 STEM degrees per year which translates to only 2% of high school graduates are receiving a STEM degree. This data is not perfect but the order of magnitude is about right which is that we are not graduating nearly enough Oregon students to fill these high paying jobs in our economy.

This is where the Oregon Talent Council will help in providing better clarity on the needs of business for employees with competencies in CTE or STEM degrees. The OTC would, by working closely with the business community, identify areas where they need employees with specific skills or educational attainment that is not currently being met by the education system and then help to either start or expand education programs to address this gap.

The connection and alignment between the STEM Investment Council and the Oregon Talent Council is very strong. It really connects the learning opportunities for students and the high demand, high wage jobs in both CTE and STEM. The STEM Investment Council is building the broad based pipeline and foundational skills necessary to fill STEM jobs and the OTC would ensure that there are programs designed to fill the specific jobs which are currently not being filled by Oregonians.

As a result there needs to be a very tight coordination between the OTC and the STEM Investment Council to ensure that Oregonians have the learning opportunities in K-12, outside of school, and post-secondary to develop the essential skills and educational attainment to fill these high wage jobs and that our Oregon employers realize the value created in their business from this focused effort.

Finally the STEM Investment Council supports amendments to HB 2728 that would incentivize institutions to increase the percentage of students of color and the rural poor in STEM fields because this part of our population is disproportionately not attaining the outcomes of others students.

Thank you for your time and consideration of HB 2728.

**Jim Piro
President and CEO Portland General Electric**

Chairman – STEM Investment Council

