

Federal Grant Application Request

Employment Department

Advanced Manufacturing Apprenticeship Initiative

Analyst: Michelle Deister

Request: Approve the submission of a federal grant application to the U.S. Department of Labor in the amount of \$5 million to support and augment the Oregon Advanced Manufacturing Apprenticeship Initiative.

Recommendation: Approve the request.

Analysis: The Employment Department has surveyed employers throughout the state and found a common problem: employers struggle to find employees who are trained, and some hesitate to invest in training for fear that trained employees will soon leave for other, higher paying companies. Efforts to address these issues are underway; the Employment Department and its partners – including local workforce investment boards and community colleges – have plans to develop apprenticeship programs for specific skills in hard to fill occupations. These occupations include industrial machinery mechanics, machinists, computer-controlled machine tool operators, electrical and electronics engineering and repair, and sawing machine setters. The endeavor is known as the Oregon Advanced Manufacturing Apprenticeship Initiative.

Serendipitously, the U.S. Department of Labor is making grant funds available under the American Apprenticeship Initiative to support the development and expansion of apprenticeship programs in high growth occupations and industries. Proposed projects must create career pathways that provide an opportunity for continued skill development, reach underrepresented populations, and support innovation in developing training opportunities, particularly for those occupations for which employers are utilizing foreign worker visas. The Employment Department sees the grant opportunity as a complement to state efforts to address the problem of developing a pipeline of skilled labor for hard to fill occupations. The Department seeks to apply for \$5 million to be used over five years to support development of apprenticeship programs in occupations that do not yet have organized curricula and formal on-the-job training opportunities. The grant would allow the Employment Department to invest beyond what the agency and its partners could otherwise provide. This is a competitive grant opportunity, and applications are due April 30. No state matching funds are required. The Employment Department anticipates 3 positions (2.0 FTE) associated with this grant, for project management/coordination and for the purpose of training partners in identifying apprenticeship training opportunities and candidates for the new apprenticeship programs.

The Employment Department will work with a variety of partners to develop new apprenticeship opportunities. For example: local Workforce Investment Boards and education partners will help to identify apprentice-able occupations and the employers willing to participate. WorkSource Oregon centers, Department of Human Services offices, Department of Corrections, Oregon Youth Authority, high schools and secondary education institutions would be sources to identify and recruit candidates for apprenticeships. Education partners, Workforce Investment Boards and participating employers would collaborate to develop classroom curriculum and training requirements, and place

apprentices in on-the-job learning opportunities. The Bureau of Labor and Industries would register and monitor these programs, as it does with other apprenticeship programs. Grant funds would also support outreach efforts, project management, and training local WorkSource partners to make them aware of the new programs as well as which job seekers could be candidates.

The Employment Department could return to the February 2016 legislative session or a subsequent meeting of the Emergency Board for expenditure limitation and position authority if its grant application is successful.

The Legislative Fiscal Office recommends approval of the request.