

# House Bill 3161

Sponsored by Representative FAGAN

## 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**.

Establishes Oregon EARN Program within Bureau of Labor and Industries. Directs bureau to award grants to qualified applicant programs for workforce development purposes. Creates Oregon EARN Program Fund. Requires bureau to report to Legislative Assembly. Directs Employment Department to provide information on unemployment benefits recipients to bureau. Becomes operative January 1, 2016.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to strategic industry partnerships; and declaring an emergency.

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

4 **SECTION 1. The Legislative Assembly finds that:**

5 (1) **Oregon continues to make significant investments in the state's education system;**

6 (2) **Many working families face significant challenges in obtaining the skills and creden-**  
7 **tials necessary to secure stable employment and to access opportunities for advancement in**  
8 **employment;**

9 (3) **Oregon employers and economic growth industries continue to lack skilled workers,**  
10 **which inhibits the economic growth of the state;**

11 (4) **Oregon's workforce development system has many components that are often frag-**  
12 **mented in a manner that inhibits the potential for significant economic growth of the state;**

13 (5) **Creating a coordinated system to advance the skills of the state's workforce through**  
14 **the collaboration of industry, state and local governments and nonprofit organizations will**  
15 **grow Oregon's economy;**

16 (6) **Increasing access to opportunities for employment advancement and reducing barri-**  
17 **ers to employment can result in long-term improvement in the economic well-being of**  
18 **working families and will sustain and grow Oregon's middle class;**

19 (7) **Oregon will improve its ability to be competitive in the global economy through**  
20 **working collaborations of public, private and nonprofit partners that make up the state's**  
21 **workforce development system; and**

22 (8) **Providing skills training for the employment advancement of individuals while meet-**  
23 **ing the workforce needs of employers will promote both the prosperity of working families**  
24 **and economic growth of the state.**

25 **SECTION 2. As used in sections 2 to 7 of this 2015 Act:**

26 (1) **"Credential" means a:**

27 (a) **Diploma from a public or private secondary institution of education;**

28 (b) **Degree from a public or private post-secondary institution of education, including a**  
29 **community college;**

**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 (c) License, certificate, registration or other state-issued authorization to practice a  
2 regulated profession in this state; or

3 (d) Certificate or other written acknowledgement of successful completion of a skills at-  
4 tainment program approved by the state.

5 (2) “High-demand occupation” means an occupation that:

6 (a) Has a significant presence within target industries;

7 (b) Is in demand by employers; and

8 (c) Pays or leads to payment of a family wage.

9 (3) “Identifiable skill” means a specific work-related skill that is likely to lead to em-  
10 ployment advancement and improvement in an individual’s earning potential.

11 (4) “Job readiness training” means training to assist and support individuals seeking  
12 employment in overcoming barriers to employment and developing the skills necessary to  
13 qualify for skills training opportunities and to maintain employment. “Job readiness  
14 training” includes:

15 (a) Occupational skills development;

16 (b) Preparatory courses for the General Educational Development (GED) test as de-  
17 scribed in ORS 351.768;

18 (c) Literacy advancement programs;

19 (d) Financial stability services, including financial coaching and credit counseling; and

20 (e) Programs related to accessing and successfully using transportation and child care.

21 (5) “Local workforce investment board” has the meaning given the term in ORS 660.300.

22 (6) “Oregon EARN Program” means the Oregon Employment Advancement Right Now  
23 Program established by section 3 of this 2015 Act.

24 (7) “Strategic industry partnership” means a collaboration of a regional group including,  
25 but not limited to, employers, nonprofit organizations, public and private post-secondary in-  
26 stitutions of education, including community colleges, local workforce investment boards,  
27 local governments and other interested parties to:

28 (a) Identify common workforce needs for high-demand occupations within a target in-  
29 dustry; and

30 (b) Develop and implement regional industry strategies to meet the common workforce  
31 needs and shortages.

32 (8) “Strategic industry partnership grant” means a grant awarded by the Bureau of La-  
33 bor and Industries through the Oregon EARN Program.

34 (9) “Target industry” means a group of employers closely linked by a common product  
35 or service, workforce skills, similar technologies, supply chains or other economic ties.

36 **SECTION 3.** (1)(a) The Oregon Employment Advancement Right Now Program is estab-  
37 lished within the Bureau of Labor and Industries to create industry-led partnerships. The  
38 Oregon EARN Program aims to advance the skills of the state’s workforce, grow the state’s  
39 economy and increase sustainable employment for working families.

40 (b) The bureau shall adopt rules to administer the Oregon EARN Program.

41 (2)(a) The bureau shall award strategic industry partnership grants to qualified appli-  
42 cants to facilitate a member of a strategic industry partnership in developing and carrying  
43 out a plan consistent with the purposes of the Oregon EARN Program. The plan may include  
44 job readiness training and other skills training programs.

45 (b) The bureau shall give priority to strategic industry partnerships that maximize the

1 potential of the collaboration through direct financial or in-kind contributions by members  
2 of the target industry.

3 (3)(a) An applicant for a strategic industry partnership grant may be:

4 (A) An employer with identified employment positions that could be filled by current  
5 employees who receive advanced skills training from the employer at the place of employ-  
6 ment;

7 (B) An employer in an industry with identified employment positions that will hire indi-  
8 viduals to meet a specific skill need;

9 (C) A member of a strategic industry partnership that can provide job readiness training  
10 to qualified individuals directly or indirectly through programs hosted by local workforce  
11 investment boards; or

12 (D) An institution of education that offers job readiness training or programs in which  
13 a participant will earn a credential upon successful completion of the training or program.

14 (4)(a) The bureau may award a strategic industry partnership grant if the application  
15 meets the requirements of this subsection.

16 (b) An application for a strategic industry partnership grant shall:

17 (A) Include evidence of shortages in skilled workers within the target industry over a  
18 sustained period of time;

19 (B) Describe specific high-demand occupations or sets of occupations within the target  
20 industry;

21 (C) Detail job readiness training programs and other programs that would result in indi-  
22 viduals obtaining credentials or identifiable skills to facilitate their employment or advance-  
23 ment in the target industry; and

24 (D) Identify members participating in the strategic industry partnership, the target in-  
25 dustry and the participating local workforce investment board.

26 (5)(a) A grant agreement entered into under this section shall obligate the recipient of  
27 the strategic industry partnership grant to meet the requirements as established by rule of  
28 the bureau.

29 (b) The bureau may revoke a strategic industry partnership grant if the recipient fails  
30 to meet the requirements of the grant agreement.

31 **SECTION 4.** The Bureau of Labor and Industries shall develop and maintain a webpage  
32 for the Oregon EARN Program on the bureau's website.

33 **SECTION 5.** (1) The Employment Department shall provide information to the Bureau  
34 of Labor and Industries about individuals who receive unemployment benefits.

35 (2) The bureau shall provide to recipients of unemployment benefits information on the  
36 Oregon EARN Program.

37 **SECTION 6.** The Bureau of Labor and Industries shall develop and implement a state  
38 employment advancement strategy that identifies:

39 (1) Employment positions in the state government in need of skilled workers; and

40 (2) Mechanisms to provide current state employees with access to skills training pro-  
41 grams that advance the employment of current state employees and result in increased  
42 wages and advancement of skills of current state employees.

43 **SECTION 7.** No later than December 31 of each year, the Bureau of Labor and Industries  
44 shall report to an interim committee of the Legislative Assembly that is related to workforce  
45 development in the manner provided in ORS 192.245 on:

1 (1) Job readiness training needs in this state;

2 (2) Industries in need of skilled workers;

3 (3) The methods used to measure success of the Oregon EARN Program; and

4 (4) The strategic industry partnership grant recipients, including:

5 (a) The name and address of each recipient; and

6 (b) Information on the participants in the programs offered by each recipient, including  
7 the number of participants:

8 (A) By gender, race, income, county of residence and level of education; and

9 (B) Who have obtained a credential, identifiable skill, employment or promotion.

10 **SECTION 8.** The Oregon EARN Program Fund is established separate and distinct from  
11 the General Fund for the purposes of administering and carrying out sections 2 to 7 of this  
12 2015 Act. Interest earned by the Oregon EARN Program Fund shall be credited to the fund.  
13 Moneys in the fund are continuously appropriated to the Bureau of Labor and Industries for  
14 the purpose of administering the Oregon EARN Program.

15 **SECTION 9.** The Bureau of Labor and Industries may adopt rules and perform any act  
16 necessary or proper to carry out the duties, functions and powers conferred on the bureau  
17 by sections 2 to 7 of this 2015 Act.

18 **SECTION 10.** (1) Sections 2 to 7 of this 2015 Act become operative on January 1, 2016.

19 (2) The Bureau of Labor and Industries may take any action necessary before the oper-  
20 ative date specified in subsection (1) of this section to enable the bureau to exercise, on or  
21 after the operative date specified in subsection (1) of this section, all the duties, functions  
22 and powers conferred on the bureau by sections 2 to 7 of this 2015 Act.

23 **SECTION 11.** This 2015 Act being necessary for the immediate preservation of the public  
24 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect  
25 on its passage.

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