



# PROSPERITY 1000

HB 2531: Oregon's Solution to Pressing Workforce and Poverty Concerns

## ABSTRACT

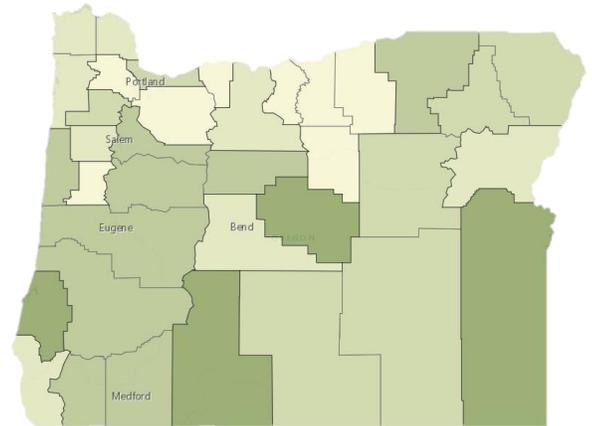
Legislation to address poverty caused by reduction in middle-income employment, restore federal funding for training and jobs, and establish a sustainable program within Oregon's public workforce system that supports individual and business prosperity.

## Summary

Prosperity 1000 appropriates moneys from the General Fund to provide career coaching, occupational training, and job placement to 1000 job seekers experiencing poverty to establish a model program that unites key workforce and economic development partners, builds the skills of low-income Oregonians, generates federal matching funds, and is scalable across Oregon's public workforce development system.

## The Problem

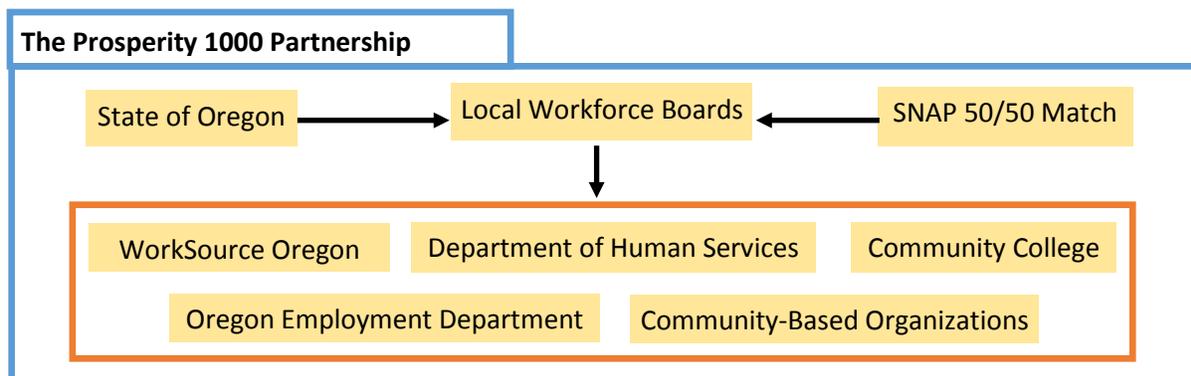
- 1) *A Squeezed out Middle Class* - Since the Great Recession of 2008, structural changes in Oregon's economy have resulted in a large increase in low-income employment accompanied by a reduction in middle-income employment. These changes have disproportionately affected those with low-basic skills, immigrants, people of color, and rural communities of Oregon resulting in widening economic disparity through persistent and concentrated poverty.
- 2) *Increasing Poverty* – There are more than 600,000 Oregonians living in poverty – a 66% increase since 2000. In 2013, nearly 20% of Oregon households received Supplemental Nutrition Assistance Program (food stamp) benefits, making our state the highest in the nation. More than 40% of Oregon's SNAP recipients are employed in low-wage jobs.
- 3) *Shortage of Skilled Workers*-. Employers grapple with a shortage of skilled labor to drive productivity and growth while unskilled residents struggle with insufficient, stagnating wages. Industry loses out without a skilled, diverse, and local workforce
- 4) *Significant Cuts in Federal Funding*- The coming years will be marked by cuts to federal employment and training, anti-poverty and related support programs, reducing the state's ability to meaningfully address poverty, inequity, and skill shortages.



Proportion of SNAP recipients

## The Solution

Prosperity 1000 will generate investment into Oregon communities through the WorkSource Oregon SNAP 50/50 program which leverages a 50% match for training and employment services provided to SNAP recipients. This program will restore the promise that all Oregonians have the opportunity to fully participate in the State's growing economic success by addressing persistent and concentrated poverty through skill development and career-track employment in targeted sectors that have low barriers to entry. **This investment will establish and bring to scale the program infrastructure, key partnerships, and implementation of a federal matching program that will support Oregon's public workforce development system and address poverty long after Prosperity 1000.**



*Additional partners include economic development agencies, the Association of Oregon Counties and others.*

## How it Works

Prosperity 1000 will invest \$5 million in Oregon’s public workforce development system over two years. Strategies will include career coaching, occupational training, and job placement support in target industry sectors experiencing increases in middle-income employment.

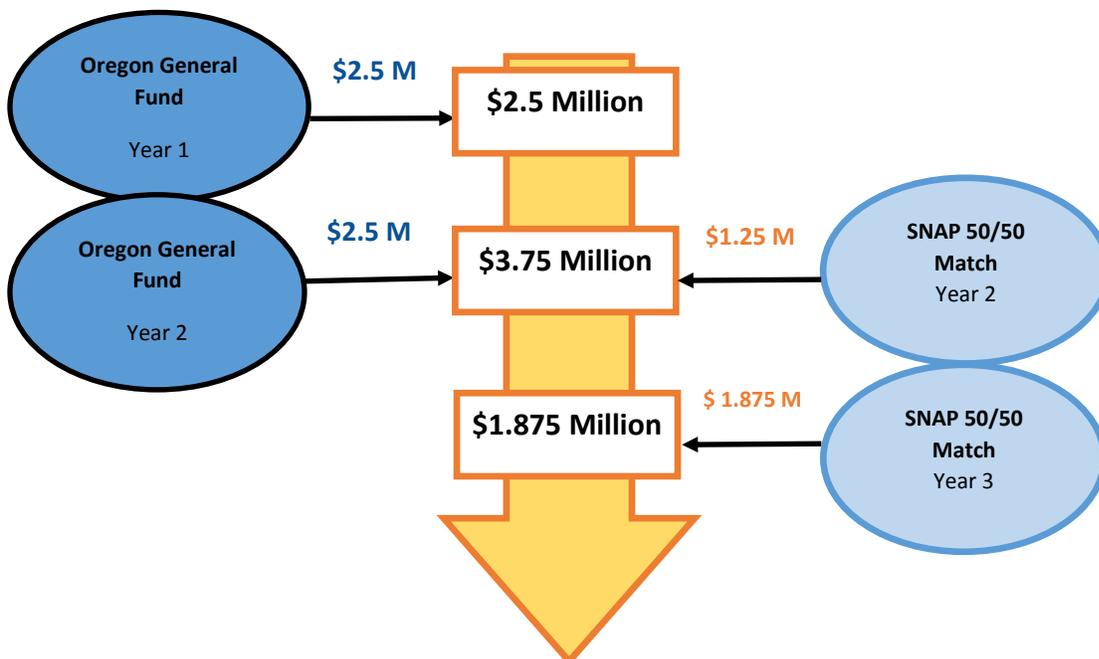
**Year 1:** \$2.5M State of Oregon General Fund dollars will be invested. SNAP 50/50 E&T will match 50% resulting in \$1.25M being added into the Year 2 implementation investment.

**Year 2:** \$2.5M State of Oregon General Fund and \$1.25M of year 1 match will be invested into communities through the public workforce development system, totaling \$3.75M. SNAP 50/50 will again match 50%, resulting in \$1.875 in federal match for Year 3 implementation.

**Year 3:** \$1.875M of non-federal funding invested back into communities. The partnerships and program infrastructure are in place to develop and incorporate new sources of non-federal match (municipal, state, private, etc.) to sustain the program.

**Beyond:** Additional funding is incorporated to support a sustained federal match. This may include nonprofit partner efforts such as Goodwill employment programs, foundations, employers, Community Development Block Grant (CDBG) funds, Enterprise Zone training funds, municipal funds, and other State of Oregon funds such as Back-to-Work Oregon.

## Oregon Workforce System



### Occupational training and job placement in target industries for 1000 Oregonians

#### Which Oregonians?

- 100% experiencing poverty
- 50% immigrants or people of color
- 80% from locations with high poverty

#### Outcomes

- 80% complete training
- 75% placed in employment
- 75% earn at least \$15/hour

## Actions to Take:

- 1) Add your name to the list of Prosperity 1000 supporters
- 2) Testify before the legislature about the benefits of Prosperity 1000
- 3) Contact your representative about Prosperity 1000

**Contact** For more information, please contact Patrick Gihring, Chief Program Officer at Worksystems, at [pgihring@worksystems.org](mailto:pgihring@worksystems.org) or 503-478-7320.