

**HB 2531 A STAFF MEASURE SUMMARY**

**House Committee On Higher Education and Workforce Development**

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**Action Date:** 04/13/17

**Action:** Do pass with amendments  
and be referred to Ways and Means by prior reference. (Printed A-Eng.)

**Vote:** 8-0-1-0

**Yeas:** 8 - Alonso Leon, Bynum, Heard, Johnson, Reardon, Reschke, Sollman, Whisnant

**Exc:** 1 - Clem

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

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**WHAT THE MEASURE DOES:**

Appropriates \$5,000,000 from General Fund to State Workforce Investment Board for Worksystems, Inc. to implement pilot program that provides targeted sector career coaching, occupational training and job placement for job seekers in areas of concentrated poverty statewide. Declares emergency, effective July 1, 2017.

**ISSUES DISCUSSED:**

- Overall high job growth in Portland metropolitan area since economic recession; job growth and earnings have been significantly lower in East Portland and other communities of concentrated poverty statewide
- Recent investments in industrial parks in Troutdale and Gresham will create up to 6,000 new jobs
- Importance of area residents being able to access local jobs in order to stay in their homes, lower commute times and costs and help alleviate economic, geographic and racial inequities
- Investments in education and training for communities with high poverty are high return-on-investment projects, and key to job access and greater earnings
- Ability of Oregon to leverage federal Supplemental Nutrition Assistance Program (SNAP) 50/50 matching funds for training and employment services for food stamp recipients
- Impact legislative policies have on ability of businesses to increase wages, provide additional hours of work to employees and to yield profits
- Details of pilot program will be included in budget note for Joint Committee on Ways and Means

**EFFECT OF AMENDMENT:**

Clarifies intent of appropriation is for distribution to Worksystems, Inc. to implement pilot program to provide targeted sector career coaching, occupational training and job placement for job seekers in areas of concentrated poverty statewide, not just for training and case management of East Multnomah County job applicants in advanced electronics, advanced metal and machinery manufacturing and distribution.

**BACKGROUND:**

Worksystems, Inc. is one of Oregon's nine local workforce development boards (ORS 660.327), charged with coordinating local activities required by the federal Workforce Investment Opportunity Act, and connecting, brokering and promoting private sector employers' involvement in one-stop employment centers. Local workforce development boards are public/private partnerships that convene employers, labor groups, government, community colleges, high schools, community-based and economic development organizations to design workforce development programs and services, and to pursue and invest resources to improve workforce quality. Worksystems, Inc. serves the City of Portland, and Multnomah and Washington counties.

House Bill 2531-A invests \$5,000,000 from the General Fund to train 1,000 low-income job applicants for an anticipated 6,000 new job openings at the Troutdale Reynolds and Gresham Vista Industrial Parks in East Multnomah County. In addition, the measure leverages a 50 percent federal match through the WorkSource Oregon

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

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Supplemental Nutrition Assistance Program (SNAP) 50/50 program to provide targeted industry sector training and employment services to SNAP recipients in areas of concentrated poverty statewide.