

HB 3437 A STAFF MEASURE SUMMARY**Carrier:** Rep. Reardon**House Committee On Higher Education and Workforce Development****Action Date:** 04/18/17**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 9-0-0-0**Yeas:** 9 - Alonso Leon, Bynum, Clem, Heard, Johnson, Reardon, Reschke, Sollman, Whisnant**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Laura Kentnesse, LPRO Analyst**WHAT THE MEASURE DOES:**

Changes name of State Workforce Investment Board to Workforce and Talent Development Board (Board). Expands Board duties to include identification of key industries in Oregon, education, training, work experience and job preparation needed to support industry growth, and partnership opportunities with key industry sectors to coordinate workforce development, economic development and education to meet industry and workforce needs. Requires Board to convene and engage senior executives of key industries, Oregon Business Development Commission, Higher Education Coordinating Commission, Oregon Department of Education, Oregon Bureau of Labor and Industries, STEM Investment Council, local workforce development boards, Oregon Employment Department, Oregon Department of Human Services, Oregon Commission for the Blind, Chief Education Office, Youth Development Council and other partners to determine challenges and opportunities for developing talent pipelines in key industries and occupations, establish talent pipeline infrastructure and utilize sector partnerships. Requires Board to facilitate creation of state Workforce and Talent Development Plan. Specifies plan requirements. Requires Board update plan each biennium and submit annual report to Governor and Legislative Assembly. Allows Board to seek, accept and expend funds received from gifts, grants or other sources. Repeals Oregon Talent Council. Changes terminology to comply with federal Workforce Innovation and Opportunity Act requirements. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Need for statewide approach to long-term, strategic talent development planning in Oregon
- Employers struggling to find skilled workers, creating tens of thousands of job vacancies in Oregon
- Convening business executives and businesses, workforce and education agencies would allow for increased coordination of economic development and education systems in response to industry needs
- Integration of current Oregon Workforce Investment Board and Oregon Talent Council strategic plans would help improve workforce system efficiencies, effectiveness and impact

EFFECT OF AMENDMENT:

Replaces measure.

BACKGROUND:

The State Workforce Investment Board, currently known as the Oregon Workforce Investment Board (OWIB), is an advisory board to the Governor on workforce matters. The OWIB is responsible for the implementation of the federal Workforce Innovation and Opportunity Act (WIOA), including the development of a statewide strategic plan for WIOA programs, providing guidance to local workforce investment boards in the development of local workforce plans and the development of a coordinated statewide system that includes the one-stop delivery system.

The Oregon Talent Council (OTC) was established in 2015 by House Bill 2728 to address the state's critical gap in skilled talent, and to promote economic growth in Oregon. The OTC is comprised of a diverse group of industry leaders from multiple sectors and is charged with making strategic investments and advocating for high wage jobs in

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key industries in Oregon. It is responsible for creating a Talent Development Plan that identifies talent issues and industry trends related to high growth industries. For the 2015-2017 biennium, \$6.1 million was appropriated to the OTC Fund for strategic investments.