

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 4042 - 3**

79th Oregon Legislative Assembly – 2018 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Establishes Prosperity 1,000 Pilot Program to provide career coaching, occupational training and job placement services for 1,000 low-income job seekers in east Multnomah County.

**Government Unit(s) Affected:**

Department of Human Services (DHS), Employment Department (OED), Business Development Department (Business Oregon), Bureau of Labor and Industries (BOLI), Higher Education Coordinating Commission (HECC), Department of Corrections (DOC)

**Analysis:**

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Higher Education and Workforce Development to the Joint Committee on Ways and Means.

The bill establishes the Prosperity 1,000 Pilot Program which is administered by the workforce development board serving Multnomah and Washington Counties, and funded by a \$5.00 million General Fund appropriation to the Higher Education Coordinating Commission in the 2017-19 biennium. The board must coordinate with and reimburse costs to non-profit organizations and educational institutions to provide career coaching, occupational training and job placement services to program participants that meet certain means-tested eligibility criteria. Furthermore, the board must conduct outreach to businesses and industry organizations regarding participation in the pilot program and submit an annual report to the interim committees of the Legislative Assembly related to workforce development no later than December 31.

The Department of Human Services (DHS) is required to incorporate the pilot program into the statewide plan for the Supplemental Nutrition Assistance Program (SNAP) Employment Training, refer eligible individuals to the pilot program, and seek federal reimbursement of 50% of the pilot program costs. DHS and the board must establish a joint steering committee to oversee the pilot program and coordinate support services, including childcare, for the pilot program participants. The board must provide staff support to the steering committee. The legislation is repealed January 2, 2021.

# Further Analysis Required

Given that similar career coaching and job placement services are already provided by WorkSource Oregon and reimbursed in part by federal funding; additional research will need to be conducted to determine if the pilot program may be eligible for federal fund revenue. Part of the DHS fiscal impact will be drive by the workload associated with federal funds reimbursement. The fiscal impact to the HECC, associated with accounting workload, is assumed to be minimal and absorbable within existing budgetary parameters. No fiscal impact is anticipated to the following state agencies which are associated with the Oregon Workforce Talent Council: Oregon Business Development Department, Department of Corrections, and the Bureau of Labor and Industries. A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.