



Answers to questions from Committee Members regarding HB 2310

Hello Chair Lively and Members of the House Committee on Economic Development,

Below are a series of follow-up answers our office asked to the folks from WorkSystems Inc. based on the questions posed during the public hearing on March 18th. Please feel free to reach out to our office if you have any further questions.

- 1) ***Does this bill conflict or overlap with Jobs Plus, SNAP training, or any other similar service?*** No. Jobs Plus is for TANF recipients only, where Prosperity 1000 is for SNAP recipients who do not receive TANF. There is, however, a complementary relationship between Jobs Plus and Prosperity 1000. Specifically, Jobs Plus helps TANF recipients get a job, after which they often lose TANF benefits and start receiving SNAP benefits. However, they're most often still in poverty. Prosperity would take these and other SNAP recipients, who are not eligible for Jobs Plus services, and provide them with occupational training for middle income careers that help them get out of poverty. I'm not certain about "SNAP training" but believe this is probably referring to the SNAP Employment and Training grant/program administered by DHS. We are working with them to incorporate Prosperity 1000 into this grant/program, which is how the 50/50 match will be generated. DHS sees an opportunity to bring a focus on middle income employment through Prosperity 1000 which is much needed and why they're working with us on it. There are indeed similar services in the Portland Metro Area, which are small scale and mostly locally funded, which are the basis of what Prosperity 1000 intends to bring to scale statewide.
- 2) ***What sort of gap does this fill?*** There is a cycle of poverty for TANF and SNAP recipients that involves going between unemployment and low-wage jobs. Sixty-eight percent of Oregon families in poverty are working, and that figure is on the rise, so job placement programs and people getting jobs alone isn't going to solve the problem of poverty. This is why Prosperity 1000 focusses on career coaching and occupational training for middle-income jobs and provides child care support to make it possible for families in poverty to participate. This program also fills a funding gap caused by federal disinvestment in Oregon. Prosperity 1000 will generate

\$3M in federal matching funds and establish a sustainable model to bring back federal funding for Oregon's workers and employers.

- 3) ***What is the projected minimum wage, and what is the difference between a \$15 job and \$15 career.*** Oregon's minimum wage will increase to \$11.25 on July 1. So Prosperity 1000's goal of \$15 per hour or more is a 133% or more of minimum wage. A \$15 per hour job that we define as career-track would be a starting point into a continuum of closely related jobs that the worker can pursue over the course of a career. The following is a recent example from the child care pilot that DHS wants to expand statewide through Prosperity 1000:

Jenny enrolled in the program in September 2017 and told her career coach that she was interested in CNA I to get some experience for her long-term goal of becoming a Registered Nurse. When she enrolled she was a single mother, receiving TANF and Medicaid and she was unemployed. In January 2018 she started her CNA I training. She did her clinicals at Friendship Health Center and was promptly offered a job there making \$15.50/hour. She worked at Friendship Health Center for almost a year. Her parents were able to help with childcare during her CNA I training and during her evening shifts at Friendship Health. Jenny returned to her career coach in November 2019 and said she was ready to get her CNAII. In December, she told her career coach that her parents couldn't watch her son during this training. So, her career coach contacted the DHS childcare placement coordinator with the new Occupational Training and Childcare program. It was mid-December and her customer's training started January 2nd. Jenny and her career coach were nervous that she was referred too late. The DHS childcare coordinator quickly got them on her calendar and the application process was easy and seamless! In January 2019, the Jenny began training for CNAII and her young son started his first "school" and he LOVED it! She completed CNA II training quickly and got her certification and was hired at \$18-19/hour with Express Healthcare. Jenny was able to get off TANF when she got her CNA I but couldn't have afforded childcare during her CNA II training. The career coach stated, "I think my customer would agree that she was most likely able to complete this training, due in large part, to the Occupational Training and Childcare program." Jenny continues to work towards her goal to become an RN and recently was able to get her sons hours at daycare adjusted for her new job. (Note that names have been changed.)

Thank you for your consideration of HB 2310,



Representative Jeff Reardon