

SB 1545 -2, -4 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/3, 2/8, 2/10

WHAT THE MEASURE DOES:

Creates a grant program within the Higher Education Coordinating Commission (HECC) to make grants to provide increased access for priority populations to workforce programs and training opportunities in construction, health care, and manufacturing. Limits the use of grant moneys for career coaching, occupational training, and job placement services, support services such as transportation, child care, and rental assistance, paid work experiences and income supports for individuals in priority populations, and to support targeted recruitment and engagement. Appropriates \$35 million for the grants.

Defines "priority population" to mean communities of color, women, low-income communities, rural and frontier communities, veterans, and participants in offender reentry programs.

Creates a grant program within HECC to make grants to community colleges to develop career pathway training programs for individuals in priority populations to obtain necessary skills for job or career advancement in construction, health care, or manufacturing. Establishes minimum standards of a career pathway training program to ensure eighty percent of program participants successfully complete the program, obtain occupational credential, and obtain employment and to reduce disparities experienced by priority populations in gaining employment or career advancement. Limits use of the grant moneys to connect with priority populations to provide access to career pathway training programs, collaborate with specified entities to achieve fullest participation in career pathway training programs, employ a rigorous assessment strategy, procure equipment to provide modernized training experience, and to identify other funding sources. Directs HECC to submit a report to the Legislative Assembly regarding workforce development by December 31, 2022. Appropriates \$17 million for the career pathway training program.

Establishes a grant program within HECC, in coordination with the Bureau of Labor and Industries, for registered apprenticeship and pre-apprenticeship training programs in construction, health care, and manufacturing. Directs the use of grant moneys for the development of apprenticeship and pre-apprenticeship programs prioritizing individuals from priority populations. Limits use of grant moneys for specified purposes, including convening employers in construction, health care, and manufacturing, providing recruitment and outreach, providing tuition and fee assistance, providing wraparound supports and services, and providing paid work experiences. Appropriates \$20 million for the registered apprenticeship program.

Establishes a grant program through the Youth Development Division (YDD) for youth workforce programs. Limits use of grant moneys to specified purposes, including paid work experiences, workforce readiness training, and job placement services. Requires the YDD to submit a report to the Legislative Assembly regarding workforce development by December 31, 2022. Appropriates \$6,500,000 for the youth workforce programs.

Establishes a grant program within the Office of Community College and Workforce Development for increasing opportunities to receive academic credit toward a certificate or credential in construction, health care, or manufacturing for prior experience or skills gained by individuals in priority populations. Specifies use of grant moneys for development and assessment criteria to evaluate qualifying experience and skills, staff training, and recruitment of priority populations. Appropriates \$10 million for the academic credit program.

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Establishes a grant program within the HECC for workforce programs in construction, health care, and manufacturing that prioritize equitable participation by individuals in priority populations. Specifies use of grant moneys, including to provide work experience, tuition and fee assistance, wraparound workforce development services, and development of culturally and linguistically specific career pathways. Requires the HECC to report to the Legislative Assembly on specified information related to participants in the workforce program by December 31, 2022. Appropriates \$25 million for the workforce program.

Establishes a program within the HECC, in consultation with the State Workforce and Talent Development Board (SWTDB), to convene industry consortia that represent construction, health care, and manufacturing sectors. Specifies the purposes of the program, including to establish strategic partnerships, mutual goal-setting, identify industry-specific workforce needs, and develop targeted recruitment strategies for individuals in priority populations. Appropriates \$1 million for the industry consortium program.

Establishes a grant program within the HECC, in consultation with the SWTDB, to employ a workforce benefits navigator to connect individuals to programs that provide training and career opportunities in construction, health care, and manufacturing and to increase access to services and benefits available under one-stop centers. Appropriates \$1 million for the benefits navigator program. Requires the HECC, SWTDB, and Youth Development Council to evaluate all programs created in the measure and submit a joint report on specified topics to the Governor and Legislative Assembly by December 31 of each year. Appropriates \$1,500,000 for the assessment and evaluation.

Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Replaces the measure. Defines a "priority population" to mean communities of color, women, low-income communities, rural and frontier communities, veterans, persons with disabilities, incarcerated and formerly incarcerated individuals, members of Oregon's nine federally recognized Indian tribes, and individuals who disproportionately experience discrimination in employment on the basis of age.

Establishes and appropriates \$15 million from the general fund to the Higher Education Coordinating Commission (HECC) for the Prosperity 10,000 Program. Specifies the purposes of the Program to include career coaching, occupational training, and job placement services; wraparound supports and services; paid work experiences; and targeted recruitment and engagement. Establishes the goals of the program to include 10,000 participants; improve capacity and responsiveness of the public workforce system and ensure services and benefits are provided to priority populations; ensure at least 50 percent of participants are women, 80 percent successfully complete the program, and 75 percent successfully obtain employment and 75 percent of those who obtain employment earn at least \$17 per hour. Provides that the Program must be administered by local workforce development boards and requires the Department of Human Services to incorporate the Program into the statewide plan for the SNAP Employment and Training Program, seeking federal reimbursement for 50 percent of the Prosperity 10,000 Program's costs and distribute moneys received as a dollar-for-dollar match under the SNAP Employment Training Program to local workforce development boards for reinvestment in workforce development and wraparound supports and services provided under the Program. Requires the State Workforce and Talent Development Board to oversee the progress of the Program and ensure the program goals are met. Limits the maximum payment of expenses by the HECC from the American Rescue Plan Act Coronavirus State Fiscal Recovery Fund (ARPA) for purposes of the Program.

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Establishes within the HECC and appropriates \$17 million for a grant program to community colleges for career pathway training programs for those in priority populations to secure a job or career advancement in high-wage, high-demand industries and occupations. Establishes the purposes of the grant program and specifies the eligibility requirements for community colleges to receive a grant.

Establishes and appropriates \$18,900,000 of the general fund for a grant program to be administered by the Bureau of Labor and Industries (BOLI) to provide financial support for development, expansion, and implementation of registered apprenticeship and preapprenticeship training programs in health care and manufacturing and for preapprenticeship training programs in construction. Provides that the State Apprenticeship and Training Council may award grants to community-based organizations, labor organizations, local workforce development boards, and other entities that develop apprenticeship and preapprenticeship training programs that prioritize participation by those in priority populations. Provides for the priorities for grant recipients and specifies the uses of grant moneys. Appropriates \$1 million to the HECC for purposes of the program. Limits to \$1,100,000 of ARPA funds that may be used for payment of expenses by BOLI for the registered apprenticeship and preapprenticeship training program.

Establishes and appropriates \$3,500,000 of the general fund for a youth workforce program administered by the Youth Development Division that delivers workforce readiness services to specified youth and young adults between the ages of 14 and 24 in priority populations. Limits to \$7 million of ARPA funds for purposes of the youth workforce program.

Establishes and appropriates \$10 million of the general fund for a grant program to community colleges and universities that work toward increasing opportunities for students from priority populations to receive academic credit for prior experience or skills to count toward a certificate or credential.

Establishes and appropriates \$10 million of the general fund for a grant program to workforce service providers and community-based organizations that administer workforce programs in health care, manufacturing, and technology industry sectors and prioritize equitable program participation by those in priority populations. Provides for the criteria and process by which grant proposals must be considered and specifies the uses of grant award moneys. Limits to \$85 million of ARPA funds for purposes of the grant program.

Establishes and appropriates \$1 million of general fund for the HECC to convene a statewide industry consortia that represent health care, manufacturing, and technology industry sectors. Specifies the purpose of the program to include the establishment of strategic partnerships to align workforce development activities to increase participation by those in priority populations. Provides for the operation of the industry consortia by a leadership team and specifies the composition of the leadership team.

Establishes a grant program to be administered by the HECC in consultation with the State Workforce and Talent Development Board for pilot projects implemented by local workforce development boards that partner with one-stop centers or community-based organizations to employ a workforce benefits navigator to connect those in priority populations to workforce programs increase access to services and benefits of those programs. Limits to \$10 million of ARPA funds for purposes of the payment of expenses for the program.

Requires the HECC, in collaboration with the State Workforce and Talent Development Board, BOLI, and the Youth Development Council to review each program established in the measure to assess the program's performance and expenditure outcomes. Provides for the criteria of the evaluation. Requires the HECC to prepare and submit a report by December 31 of each year to the Governor and Legislative Assembly related to workforce development. Appropriates \$1,500,000 of the general fund for purposes of the assessment.

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BACKGROUND:

In 2018, the Governor launched the Future Ready Oregon initiative with the stated goal of closing gaps between the workforce in the state and the workforce needed to fuel the state's economy. The initiative entailed five steps: changing the way the state makes investments to make the investments more equitable; creating apprenticeships in technical fields such as information technology, healthcare, and manufacturing; turning wage earners into job creators in rural areas of the state; addressing the housing shortage for working families; and aligning job training with requirements for entry-level jobs in healthcare, in-home care, and community-based health. In 2020, the Governor tasked the Racial Justice Council with proposing ways to address racial, social, and economic inequities in the state. The Council's work resulted in the Future Ready Oregon 2022 proposal, which aims to assist with a shortage of trained workers in three specified economic sectors: construction, health care, and manufacturing.

The Oregon Employment Department (OED) reported 103,000 job vacancies in the private sector in the final quarter of 2021, of which employers report 76% are considered hard to fill. For every ten jobs open, the OED projects approximately seven workers are potentially available. The three sectors of construction, health care, and manufacturing account for over 10,000 job openings each.

Senate Bill 1545 creates a series of grant programs aimed at assisting those in priority populations, defined as communities of color, women, low-income communities, rural and frontier communities, veterans, and participants in offender reentry programs, to obtain jobs in three specified sectors of construction, health care, and manufacturing.