

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 1545 - 4

81st Oregon Legislative Assembly – 2022 Regular Session
Legislative Fiscal Office*Only Impacts on Original or Engrossed
Versions are Considered Official*Prepared by: Tim Walker
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Date: 02/10/2022**Measure Description:**

Establishes grant programs in Higher Education Coordinating Commission to provide funding for workforce development activities that aim to increase access for priority populations to training opportunities in construction, health care and manufacturing and to workforce development services and benefits.

Government Unit(s) Affected:

Community Colleges, Higher Education Coordinating Commission (HECC), Employment Department (OED), Bureau of Labor and Industries (BOLI), Department of Education (ODE), Public Universities

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:**Department of Education**

| | 2021-23 Biennium | 2023-25 Biennium |
|--------------------|---------------------|------------------|
| General Fund | \$3,500,000 | - |
| Other Funds | 7,000,000 | |
| Total Funds | \$10,500,000 | \$0 |
| Positions | 1 | |
| FTE | 0.63 | |

Higher Education Coordinating Commission

| | 2021-23 Biennium | 2023-25 Biennium |
|--------------------|----------------------|------------------|
| General Fund | \$54,500,000 | - |
| Other Funds | 115,000,000 | |
| Total Funds | \$169,500,000 | \$0 |
| Positions | 28 | |
| FTE | 17.50 | |

Bureau of Labor and Industries

| | 2021-23 Biennium | 2023-25 Biennium |
|--------------------|--------------------|------------------|
| General Fund | \$497,244 | - |
| Other Funds | 932,881 | |
| Total Funds | \$1,430,125 | \$0 |
| Positions | 9 | |
| FTE | 5.67 | |

Analysis: This measure establishes a grant program within the Higher Education Coordinating Commission (HECC) for the purposes of workforce development, directs the Oregon Department of Education (ODE), Youth Development Division (YDD) to make grants to support youth workforce programs. YDD is responsible for reviewing the performance of the grants in collaboration with HECC and the State Workforce Talent Development Board. The measure directs the Bureau of Labor and Industries (BOLI) to establish and administer a grant program to provide financial support for the development, expansion and implementation of registered apprenticeship and pre-apprenticeship training programs in health care and manufacturing, and for the development and implementation of pre-apprenticeship training programs in construction.

Oregon Department of Education

The measure appropriates \$3.5 million General Fund and \$7 million Other Funds from the American Rescue Plan Act (ARPA) to ODE for this purpose. ODE anticipates needing one limited duration Operations and Policy Analyst (0.63 FTE) to provide oversight of the grant program. In addition, ODE anticipates using the General Fund appropriation to establish the program and then using the ARPA funds to continue the grant program.

Bureau of Labor and Industries

The measure appropriates \$1.1 million ARPA funds and \$18.9 General Funds for the purposes of the measure. BOLI anticipates needing three permanent full-time Operations and Policy Analyst 4 (1.89 FTE) to focus on the development and management of the manufacturing, health care, and non-construction apprenticeship programs. One limited duration Operations and Policy Analyst 3 (0.63 FTE) to administer the competitive grant program. One limited duration Principal Executive Manager D (0.63 FTE) to direct the grant program, manage workload, budget management, program evaluation, and establish program objectives and goals. Two limited duration Project Analyst 3 positions (1.26 FTE) to serve as program administrators, implement new grant application criteria and award distribution process. One limited duration Fiscal Analyst 2 position (0.63 FTE) to manage General Fund and ARPA funds. One limited duration Operations and Policy Analyst 2 (0.63 FTE) to develop procedures and evaluations for program grantees and process and evaluate outcome data.

Higher Education Coordinating Commission

The measure appropriates \$54.5 million General Fund and \$115 million in ARPA funds for the purposes of this bill. HECC anticipates 28 positions (17.50 FTE) to carry out the provisions of the bill. The Legislative Fiscal Office (LFO) also notes that appropriations are generally not made directly to public universities but to HECC for distribution to public universities.

The Oregon Employment Department anticipates a minimal fiscal impact and any additional duties can be absorbed with existing resources.