Senate Bill 1545

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Kate Brown for Office of the Governor)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor’s brief statement of the essential features of the measure as introduced.

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.

Appropriates moneys from General Fund to Higher Education Coordinating Commission to support grant programs.

Requires Youth Development Division to develop grant program to award grants to entities that provide youth and young adults from priority populations with increased access to youth workforce programs that offer workforce readiness training and job placement services.

Appropriates moneys from General Fund to Youth Development Division to support grant program.

Requires Higher Education Coordinating Commission to establish program to convene industry consortia throughout state to increase training and career opportunities for priority populations.

Appropriates moneys from General Fund to Higher Education Coordinating Commission to support program activities.

Requires Higher Education Coordinating Commission to establish grant program to award grants to pilot projects brought by local workforce development boards that partner with comprehensive one-stop centers that hire workforce benefits navigator.

Appropriates moneys from General Fund to Higher Education Coordinating Commission to carry out program.

Requires Higher Education Coordinating Commission, in collaboration with State Workforce and Talent Development Board and Youth Development Council, to review programs established under Act and submit joint report to Governor and interim committees of Legislative Assembly related to workforce development on performance and expenditure outcomes of programs.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to workforce development; creating new provisions; amending ORS 660.300; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 660.300 is amended to read:

660.300. As used in ORS 660.300 to 660.364:

(1) “Chief elected official” means a county commissioner, a county judge or the mayor of the City of Portland.

(2) “Federal Act” or “federal Workforce Innovation and Opportunity Act” means the federal Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.).

(3) “Local workforce development area” means the City of Portland or a county when the city or county has been designated as a local workforce development area under ORS 660.324. “Local workforce development area” may include two or more counties that have joined together to form a local workforce development area and that have been designated as a local workforce development area under ORS 660.324.

(4) “Local workforce development board” means a board established pursuant to section 3122

NOTE: Matter in boldfaced type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in boldfaced type.

LC 221
of the federal Workforce Innovation and Opportunity Act.

(5) “Maritime sector” includes but is not limited to:
(a) Enterprises engaged in the design, construction, manufacture, acquisition, operation, supply, repair or maintenance of marine vessels or component parts of marine vessels;
(b) Enterprises engaged in managing or operating shipping lines;
(c) Customs brokerage services, shipyards, shipping and freight forwarding services, dry docks, marine railways and marine repair shops;
(d) Enterprises engaged in commercial or recreational fishing;
(e) Enterprises and academic institutions engaged in scientific research of ocean processes, marine life or other ocean resources; and
(f) Enterprises engaged in marine tours or travel, water sports or other marine leisure activities.

(6) “Participant” means a person receiving services under the federal Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.).

(7) “Participant records” means records relating to matters such as grades, conduct, personal and academic evaluations, results of psychometric testing, counseling, disciplinary actions, if any, and other personal matters.

(8) “Priority populations” means:
(a) Communities of color;
(b) Women;
(c) Low-income communities;
(d) Rural and frontier communities;
(e) Veterans; and
(f) Participants in offender reentry programs.

[(8)] (9) “State workforce agencies” means state agencies that administer workforce programs.

[(9)] (10) “Workforce development” means services designed to help individuals attain employment and progress along career pathways and to help businesses better achieve business goals by more easily finding skilled employees. “Workforce development” includes:
(a) Education, training and apprenticeship services;
(b) Labor market analysis;
(c) Employment and reemployment services;
(d) Employee recruitment and retention services; and
(e) Convening, coordinating, oversight and evaluation services for business and state workforce agencies.

[(10)] (11) “Workforce programs” means programs that have a primary mission of helping individuals become employed, retain employment, increase wages and progress along career pathways and that are responsible for outcomes related to the primary mission.

SECTION 2. Sections 3, 13, 15 and 17 of this 2022 Act are added to and made a part of ORS 660.300 to 660.364.

SECTION 3. Local workforce development boards. (1) There is created in the Higher Education Coordinating Commission a program to make grants to local workforce development boards to provide increased access for priority populations to services and benefits available through workforce programs and to provide priority populations with training opportunities in construction, health care and manufacturing.

(2) A recipient of grant moneys under this section may use the funds for the following purposes:
(a) To provide career coaching, occupational training and job placement services;
(b) To provide wraparound support services that are necessary to facilitate reengagement in the workforce, including, but not limited to, transportation, child care and rental assistance;
(c) To provide paid work experiences, including stipends and wages and other income supports for individuals from priority populations; and
(d) To support targeted recruitment and engagement efforts.

(3) The commission may award grants to local workforce development boards that demonstrate experience in effectively engaging with and responding to the needs of priority populations.

(4) The commission shall disburse grant moneys to local workforce development board grant recipients using the same formula as required under the federal Workforce Innovation and Opportunity Act for the allocation of funds to local workforce development boards.

SECTION 4. Appropriation. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission, for the biennium ending June 30, 2023, out of the General Fund, the amount of $35,000,000 for the purpose of making grants under section 3 of this 2022 Act.

SECTION 5. Career pathway training programs. (1) As used in this section:
(a) “Community-based organization” includes:
   (A) Nonprofit organizations that are representative of a particular community or specific segments of a community and that are located within or in close proximity to the community served by the organization; and
   (B) Culturally specific organizations.
(b) “Community college” has the meaning given that term in ORS 341.005.
(c) “Culturally specific organization” means an organization that serves a particular cultural community, that is primarily staffed and led by members of that community and that demonstrates intimate knowledge of the lived experience of that community, including,
   (A) The impact of racism or discrimination in the community;
   (B) Specific disparities in access to services and resources experienced by the community; and
   (C) Community strengths, cultural practices, beliefs and traditions.
(d) “Local workforce development board” has the meaning given that term in ORS 660.300.
(e) “Priority populations” has the meaning given the term in ORS 660.300.
(f) “Self-sufficiency standard” is a measure of income adequacy, calculated for each county in this state, that is based on the costs of basic needs of working families of various sizes and compositions, including, but not limited to, food, housing, child care, transportation and health care, plus taxes and tax credits, and that describes the amount of income that is needed for a family to cover such costs without public or private assistance.

(2) There is created a program in the Office of Community Colleges and Workforce Development within the Higher Education Coordinating Commission for the purpose of making grants to community colleges for the development of career pathway training programs that provide individuals in priority populations opportunities to obtain necessary skills for securing a job or career advancement in the construction, health care or manufacturing indus-
tries.

(3) At a minimum, a career pathway training program developed under this section must:
(a) Ensure that at least 80 percent of program participants:
(A) Successfully complete the program;
(B) Earn a targeted industry-recognized occupational credential; and
(C) Successfully obtain employment and receive income that meets the self-sufficiency
standard for the particular region within which the program participant is employed; and
(b) Reduce disparities experienced by priority populations in securing gainful employment
or obtaining career advancement.
(4) A recipient of grant moneys under this section may use the funds to:
(a) Connect with priority populations to provide meaningful access to the career pathway
training programs developed under this section;
(b) Collaborate with community-based organizations, kindergarten through grade 12
schools, local workforce development boards and other workforce development organizations
to achieve the fullest possible participation in the career pathway training programs;
(c) Employ a rigorous assessment strategy to determine the efficacy of the programs;
(d) Procure up-to-date training equipment, technology and other supplies to provide a
modernized training experience for program participants; and
(e) Identify opportunities to leverage the use of other funding sources, including oppor-
tunities to leverage matching federal funds.
(5) The commission shall determine the process for applying for grants under this sec-
tion, the standards and criteria for awarding grants and the general terms and conditions
of the grants.
(6) To be eligible to receive a grant award under this section, a community college must
demonstrate, in an application to the commission, that the community college has the ability
to effectively engage with and respond to the needs of individuals from priority populations.
(7) The Higher Education Coordinating Commission shall compile information from each
recipient of a grant under this section regarding the status of each career pathway training
program established under this section and the use of grant funds. The commission shall
submit a report summarizing the information to the interim committees of the Legislative
Assembly related to workforce development no later than December 31, 2022, in the manner
provided in ORS 192.245.
(8) The commission may adopt rules necessary to implement the provisions of this sec-
tion.

SECTION 6. Appropriation. In addition to and not in lieu of any other appropriation,
there is appropriated to the Higher Education Coordinating Commission, for the biennium
ending June 30, 2023, out of the General Fund, the amount of $17,000,000, which may be ex-
pended to carry out the provisions of section 5 of this 2022 Act.

SECTION 7. Registered apprenticeships. (1) As used in this section:
(a) “Community-based organization” has the meaning given that term in section 5 of this
2022 Act.
(b) “Local workforce development board” has the meaning given that term in ORS
660.300.
(c) “Priority populations” has the meaning given that term in ORS 660.300.
(2) The Higher Education Coordinating Commission, in coordination with the Bureau of
Labor and Industries, shall establish and administer a grant program to provide financial
support for the development and implementation of new registered apprenticeship and pre-
apprenticeship training programs in construction, health care and manufacturing.

(3) The commission may award grants to community-based organizations, labor organ-
izations, local workforce development boards and other workforce development education and
training providers that develop apprenticeship and preapprenticeship programs described
under subsection (2) of this section and that prioritize program participation by individuals
from priority populations.

(4) The commission shall establish criteria and standards by which the entities described
under subsection (3) of this section may submit proposals to receive a grant under this sec-
tion. The commission shall administer grant awards under this section on a competitive basis
and may give priority to grant proposals that demonstrate effective strategies for engaging
with priority populations.

(5) A recipient of a grant under this section may use the moneys for the following pur-
poses:

(a) To pay for costs of convening employers in construction, health care and manufac-
turing;

(b) To provide recruitment and outreach;

(c) To provide tuition and fee assistance to program participants;

(d) To pay the costs of tools, supplies and equipment and other training-related costs;

(e) To pay for technology supports, including broadband services;

(f) To provide wraparound supports and services;

(g) To provide paid work experiences, including stipends and wages, for program partic-
ipants;

(h) To develop uniform standards for new registered apprenticeship and preapprentice-
ship programs; and

(i) To develop a curriculum and standard courses of study for the instruction of program
participants.

(6) The Bureau of Labor and Industries shall provide technical support staff to assist the
commission in administering the grant program established under this section.

SECTION 8. Appropriation. In addition to and not in lieu of any other appropriation,
there is appropriated to the Higher Education Coordinating Commission, for the biennium
ending June 30, 2023, out of the General Fund, the amount of $20,000,000, for carrying out the
purposes of section 7 of this 2022 Act.

SECTION 9. Youth programs. (1) As used in this section:

(a) “Priority populations” has the meaning given that term in ORS 660.300.

(b) “Youth workforce program” includes:

(A) A youth reengagement program described under ORS 417.859.

(B) A program administered or funded by the Youth Development Division that delivers
workforce readiness services to out-of-school or unemployed youth and young adults between
the ages of 14 and 24 who are from priority populations.

(2) The Youth Development Division shall develop and administer a grant program to
make grants to entities that provide youth and young adults from priority populations with
increased access to youth workforce programs.

(3) The division may award grants, in addition to and not in lieu of any other grants, to
entities to provide:

(a) Paid work experiences for program participants.
(b) Workforce readiness training.
(c) Job placement services.

(4) The division shall establish criteria and standards by which an entity may submit a proposal to receive a grant under this section. The division shall administer grant awards under this section on a competitive basis, and may give priority to proposals that demonstrate effective strategies for outreach and increased participation in youth workforce programs by youth and young adults from priority populations.

(5) The division shall compile information from each recipient of grant moneys awarded under this section about program outcomes and the use of grant funds and submit a report that includes a summary of the performance and expenditure information to the interim committees of the Legislative Assembly related to workforce development, in the manner provided under ORS 192.245, no later than December 31, 2022.

SECTION 10. Appropriation. In addition to and not in lieu of any other appropriation, there is appropriated to the Youth Development Division, for the biennium ending June 30, 2023, out of the General Fund, the amount of $6,500,000, for carrying out the purposes of section 9 of this 2022 Act.

SECTION 11. Prior learning credit. (1) As used in this section:
(a) “Community college” has the meaning given that term in ORS 341.005.
(b) “Priority populations” has the meaning given that term in ORS 660.300.
(c) “Public university” means a public university listed in ORS 352.002.

(2) The Higher Education Coordinating Commission shall establish a grant program within the Office of Community Colleges and Workforce Development to make grants to community colleges and public universities that work toward increasing opportunities for students from priority populations to receive academic credit for prior experience or skills gained outside of traditional higher education institutions that counts toward a certificate or credential that provides a pathway to employment or career advancement in construction, health care or manufacturing.

(3) In administering the grant program under this section, the commission shall consult with employers and targeted industry consortia to develop uniform standards that may be used to certify whether a student’s technical competency, qualifications, knowledge or skills are sufficient to earn a certificate or credential in a targeted industry.

(4) A recipient of grant moneys under this section may use the funds for the following purposes:
(a) Development of assessment criteria and practices that may be used to evaluate whether the experience and skills may count toward earning an industry-recognized certificate or credential;
(b) Training staff on how to apply the assessment criteria in awarding credit for prior skills and experience; and
(c) Recruitment and outreach to priority populations.

(5) The commission shall establish criteria and standards by which a community college or public university may submit a proposal to receive a grant under this section. The commission shall administer grant awards under this section on a competitive basis, and may give priority to proposals that demonstrate effective strategies for engaging with individuals.
from priority populations.

(6) The commission may adopt any rules necessary for the implementation of the provisions of this section.

SECTION 12. Appropriation. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission, for the biennium ending June 30, 2023, out of the General Fund, the amount of $10,000,000, for purposes of providing grants as described in section 11 of this 2022 Act.

SECTION 13. Workforce ready grants. (1) As used in this section:

(a) “Community-based organization” has the meaning given that term in section 5 of this 2022 Act.

(b) “Workforce service provider” includes community-based organizations and nonprofit workforce education and training providers.

(2) There is created in the Higher Education Coordinating Commission a program to award grants, in consultation with the State Workforce and Talent Development Board, to workforce service providers that administer workforce programs, including apprenticeship-related training, in the construction, health care and manufacturing industries and that prioritize equitable program participation by individuals from priority populations.

(3) The commission shall establish criteria and standards by which a workforce service provider may submit a proposal to receive a grant under this section. The commission shall award grants on a competitive basis, taking into consideration proposals that:

(a) Describe how the workforce service provider intends to engage with employers in the targeted industries to provide workforce development opportunities to individuals from priority populations;

(b) Demonstrate experience in providing workforce program services and benefits to individuals from priority populations; and

(c) Describe how the workforce service provider intends to collaborate with other workforce service providers to increase accessibility for priority populations to workforce programs and opportunities.

(4) Grant moneys awarded under this section shall be expended for one or more of the following purposes:

(a) To provide paid work experience, including stipends and wages;

(b) To offer tuition and fee assistance for workforce programs;

(c) To provide wraparound workforce development services;

(d) To develop culturally and linguistically specific career pathways for obtaining industry-recognized credentials in targeted sector industries; and

(e) To fund organizational investments, including, but not limited to:

(A) Hiring staff;

(B) Developing organizational development strategies;

(C) Purchasing equipment, technology or other training-related supplies;

(D) Covering administrative costs; and

(E) Any other activities identified in a grant proposal as necessary to administer workforce programs described under this section.

(5) The commission shall compile information from each recipient of a grant under this section regarding the status and use of grant funds to ensure funding is expended on the permissible purposes. At a minimum, the information must include:
(a) The number of participants who have registered for or completed a workforce program in construction, health care or manufacturing;
(b) The number of workforce programs, including apprenticeship-related training programs, administered by a workforce service provider;
(c) The job placement rate and income earnings by program participants; and
(d) The number of individuals from priority populations that receive services or benefits from workforce programs administered by a workforce service provider.

(6) The Higher Education Coordinating Commission and the State Workforce and Talent Development Board shall jointly prepare a report on the program outcomes and the use of grant funds awarded under this section. The report shall include a summary of the information provided under subsection (5) of this section and shall be submitted to the interim committees of the Legislative Assembly related to workforce development, in the manner provided under ORS 192.245, no later than December 31, 2022.

(7) The commission may adopt any rules necessary for carrying out the provisions of this section.

SECTION 14. Appropriation. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission, to be distributed in consultation with the State Workforce and Talent Development Board, for the biennium ending June 30, 2023, out of the General Fund, the amount of $25,000,000, for purposes of providing grants as described in section 13 of this 2022 Act.

SECTION 15. Industry consortia. (1) As used in this section, “community-based organization” has the meaning given that term in section 5 of this 2022 Act.

(2)(a) The Higher Education Coordinating Commission, in consultation with the State Workforce and Talent Development Board, shall establish a program to convene industry consortia throughout the state that represent the construction, health care and manufacturing industry sectors. Each individual consortium that is established under this section shall represent a single targeted industry sector.

(b) The purpose of the program is to:

(A) Establish strategic partnerships to align workforce development activities that aim to increase participation in workforce programs by individuals from priority populations;
(B) Develop structured processes to address mutual goals and promote consensus in decision-making;
(C) Identify industry-specific workforce needs in this state, including the need for high-value credentials, to inform the development and implementation of culturally and linguistically diverse workforce education and training curricula;
(D) Develop targeted recruitment strategies to increase equitable participation by individuals from priority populations in statewide workforce programs; and
(E) Promote workforce development programs and activities in the targeted industry sectors.

(3) Each industry consortium that is established under this section shall operate under the direction of a leadership team composed of the following representatives from each of the respective targeted industries:

(a) A representative who is a business leader.
(b) A representative of a community-based organization that administers one or more workforce programs.
(c) A representative of a workforce education and training provider.

(4) The State Workforce and Talent Development Board, or any other neutral entity designated by the board, shall serve as the intermediary between the industry consortia members.

(5) Not later than December 30, 2022, each industry consortium established under this section shall conduct a needs assessment to identify workforce needs and gaps in each respective targeted industry sector and submit a report to the State Workforce and Talent Development Board that includes recommendations for investing in and implementing industry-specific workforce programs to address those needs.

(6) Not later than December 30, 2022, the State Workforce and Talent Development Board shall submit a report to the interim committees of the Legislative Assembly related to workforce development on the status of the industry consortia program, including recommendations for any changes to the program.

(7) The commission may adopt any rules necessary to carry out the provisions of this section.

SECTION 16. Appropriation. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission, for the biennium ending June 30, 2023, out of the General Fund, the amount of $1,000,000, for purposes of carrying out the provisions of section 15 of this 2022 Act.

SECTION 17. Benefits navigators. (1) As used in this section:

(a) “Community-based organization” has the meaning given that term in section 5 of this 2022 Act.

(b) “Comprehensive one-stop center” has the meaning given that term in 34 C.F.R. 361.305.

(c) “Workforce benefits navigator” means an individual who:

(A) Is employed by a comprehensive one-stop center to advise and assist individuals from priority populations in accessing workforce programs and applying for benefits and services that are available under the programs;

(B) Has comprehensive knowledge and understanding of workforce programs and the benefits and services that are available under those programs; and

(C) Is aware of cultural and linguistic differences of individuals from priority populations, including knowledge of lived experiences of such individuals.

(2) The Higher Education Coordinating Commission, in consultation with the State Workforce and Talent Development Board, shall establish a program to make grants to pilot projects brought by local workforce development boards that partner with comprehensive one-stop centers to employ a workforce benefits navigator to connect individuals to workforce programs that provide training and career opportunities in construction, health care and manufacturing and to increase access for such individuals to services and benefits made available under those programs.

(3) The commission shall establish criteria and standards by which local workforce development boards may submit proposals to receive a grant under this section. The commission shall administer grant awards under this section on a competitive basis to local workforce development boards that:

(a) Have identified a comprehensive one-stop center with which the board will partner to employ a workforce benefits navigator;
(b) Describe a plan for how the workforce benefits navigator intends to assist individuals from priority populations in applying for and accessing wraparound benefits and services; and

c) Specify how the workforce benefits navigator will collaborate with community-based organizations to provide increased access to workforce training opportunities in targeted industry sectors and wraparound benefits and services.

(4) A recipient of grant moneys under this section may use the funds for the following purposes:

(a) To connect individuals from priority populations with workforce training opportunities in construction, health care and manufacturing;

(b) To provide funding to comprehensive one-stop centers to hire a workforce benefits navigator;

(c) To expand wraparound workforce development benefits and services; and

(d) To coordinate with comprehensive one-stop centers to identify and respond to the specific needs of individuals from priority populations.

(5) Not later than December 31, 2022, the Higher Education Coordinating Commission, in consultation with the State Workforce and Talent Development Board, shall evaluate the pilot projects established under this section and submit a report to the interim committees of the Legislative Assembly related to workforce development in the manner prescribed in ORS 192.245. The report shall include the status of the projects, expenditure information regarding the use of grant funds and any recommendations for program changes or future investments.

(6) The commission may adopt any rules necessary for carrying out the provisions of this section.

SECTION 18. Appropriation. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission, for the biennium ending June 30, 2023, out of the General Fund, the amount of $1,000,000, for purposes of carrying out the provisions of section 17 of this 2022 Act.

SECTION 19. Assessment and accountability. (1) The Higher Education Coordinating Commission, in collaboration with the State Workforce and Talent Development Board and the Youth Development Council, shall review each of the programs established under sections 3, 5, 7, 9, 11, 13, 15 and 17 of this 2022 Act to assess performance and expenditure outcomes of the programs. In evaluating the programs, the commission shall compile the following information:

(a) For the programs established under sections 3, 5, 7, 11, 13, 15 and 17 of this 2022 Act:

(A) The number of diverse participants who have registered for or completed a workforce program, including apprenticeship-related programs;

(B) Data on job placement rates for program participants;

(C) A description of any new workforce programs, including training programs, career pathway programs and apprenticeship-related programs, established as a result of the programs described under sections 3, 5, 7, 11, 13, 15 and 17 of this 2022 Act; and

(D) The types and amounts of any wraparound benefits or services provided to individuals in priority populations.

(b) For the program established under section 9 of this 2022 Act:

(A) The number of youth or young adults from priority populations who have registered for or completed a youth workforce program;
(B) Data on job placement rates for participants who have completed a youth workforce
program; and

(C) A description of any new paid work experiences, workforce readiness training or job
placement services created as a result of grants awarded under section 9 of this 2022 Act.

(2) By December 31 of each year, the Higher Education Coordinating Commission, the
State Workforce and Talent Development Board and the Youth Development Council shall
prepare and submit a joint report that includes the information described in subsection (1)
of this section, disaggregated by race, gender and geographical area, including any recom-
mendations for future investments, to the Governor and to the interim committees of the
Legislative Assembly related to workforce development, in the manner provided in ORS
192.245.

SECTION 20. In addition to and not in lieu of any other appropriation, there is appro-
priated to the Higher Education Coordinating Commission, for the biennium ending June 30,
2023, out of the General Fund, the amount of $1,500,000, for purposes of carrying out the
provisions of section 19 of this 2022 Act.

SECTION 21. The section captions used in this 2022 Act are provided only for the con-
venience of the reader and do not become part of the statutory law of this state or express
any legislative intent in the enactment of this 2022 Act.

SECTION 22. This 2022 Act being necessary for the immediate preservation of the public
peace, health and safety, an emergency is declared to exist, and this 2022 Act takes effect
on its passage.