

Requested by HOUSE COMMITTEE ON BUSINESS AND LABOR

**PROPOSED AMENDMENTS TO
HOUSE BILL 3306**

1 On page 1 of the printed bill, line 3, after the first comma delete the rest
2 of the line and insert “9 and 10, chapter 28, Oregon Laws 2022.”.

3 Delete lines 5 through 28.

4 Delete pages 2 through 7 and insert:

5 **“SECTION 1. Section 2 of this 2023 Act is added to and made a part
6 of ORS 660.300 to 660.364.**

7 **“SECTION 2. (1) This section applies to an entity that provides paid
8 work experience to an individual participating in a workforce program
9 that is funded in whole or in part by the following sources:**

10 **“(a) State funds that are allocated to and made available for real-
11 location by local workforce development boards to the entity for
12 workforce programs.**

13 **“(b) Funds allotted to the state pursuant to the federal Workforce
14 Innovation and Opportunity Act that are allocated to and available for
15 reallocation by local workforce development boards to the entity for
16 workforce programs in accordance with the federal Workforce Inno-
17 vation and Opportunity Act.**

18 **“(2)(a) An entity described in subsection (1) of this section shall:**

19 **“(A) Notwithstanding ORS 653.025, pay wages to individuals partic-
20 ipating in the program at a rate that is:**

21 **“(i) Equivalent to an entry-level training wage as determined by the**

1 entity pursuant to paragraph (b) of this subsection; and

2 “(ii) In alignment with the wage progression schedule established
3 by the entity under subparagraph (B) of this paragraph;

4 “(B) Establish a wage progression schedule that includes the step
5 progression requirements and the rate calculation formula upon which
6 the entity shall make determinations about a participating individual’s
7 eligibility to increase the individual’s wage rate from an entry-level
8 training wage to a wage rate that is equivalent to the average area
9 wage standard for an hour’s work in the same trade or occupation in
10 the locality where the labor is performed;

11 “(C) Develop a training plan for individuals participating in the
12 program that includes, at a minimum:

13 “(i) The entry-level training wage that will be paid to the individual;

14 “(ii) A statement that the individual shall be paid according to the
15 wage progression schedule established by the entity, along with a de-
16 scription of the requirements that the individual must meet in order
17 to progress to a higher wage rate under the wage progression schedule;

18 “(iii) A statement that the entry-level training wage paid to the
19 individual may not be less than the federal minimum wage rate or the
20 applicable state minimum wage rate, whichever is greater; and

21 “(iv) A statement explaining that the entry-level training wage paid
22 to the individual is a minimum standard and that a higher wage rate
23 shall be paid to the individual if so required under other applicable
24 federal or state laws, regulations or a collective bargaining agreement;
25 and

26 “(D) Provide each individual participating in the program with a
27 copy of the training plan described in subparagraph (C) of this para-
28 graph on the date on which the individual first begins participating in
29 the program.

30 “(b) For purposes of paragraph (a)(A) of this subsection, the entry-

1 level training wage shall be a percentage amount of the average area
2 wage standard for an hour's work in the same trade or occupation in
3 the locality where the labor is performed, but in no event may the
4 entry-level training wage be less than the applicable state minimum
5 wage rate under ORS 653.025.

6 “(c) Each individual who performs work for an entity described in
7 this section shall be considered an employee of the entity for purposes
8 of state wage and hour laws and state laws prohibiting employment
9 discrimination and retaliation.

10 **“SECTION 3.** Section 3, chapter 28, Oregon Laws 2022, is amended to
11 read:

12 **“Sec. 3.** (1) The Prosperity 10,000 Program is established in the Higher
13 Education Coordinating Commission for the following purposes:

14 “(a) To provide career coaching, occupational training and job placement
15 services;

16 “(b) To provide wraparound supports and services that are necessary to
17 facilitate reengagement in the workforce, including, but not limited to,
18 transportation, child care and rental assistance;

19 “(c) To provide paid work experiences, including stipends and wages and
20 other income supports for individuals from priority populations; and

21 “(d) To support targeted recruitment and engagement efforts.

22 “(2) The goals of the Prosperity 10,000 Program are to:

23 “(a) Include at least 10,000 total individuals who participate in the pro-
24 gram;

25 “(b) Improve the capacity and responsiveness of the public workforce
26 system in this state by providing assistance for workforce development pro-
27 gram navigation, expanding access to community-based career counseling and
28 wraparound supports and services, and providing opportunities to earn
29 industry-recognized certificates, credentials and degrees through work-based
30 learning experiences;

1 “(c) Ensure that services and benefits available through workforce pro-
2 grams are provided to individuals from priority populations;

3 “(d) Provide increased access for priority populations to services and
4 benefits available through workforce programs;

5 “(e) Ensure that at least 50 percent of the individuals who participate in
6 the program are women;

7 “(f) Ensure that at least 80 percent of the individuals who participate
8 successfully complete the program;

9 “(g) Ensure that at least 75 percent of the individuals who participate in
10 the program successfully obtain employment; and

11 “(h) Ensure that at least 75 percent of the individuals who participate in
12 the program earn at least \$17 per hour.

13 “(3)(a) The Prosperity 10,000 Program shall be administered by local
14 workforce development boards. The local workforce development boards
15 shall:

16 “(A) Distribute resources and available funds to nonprofit community-
17 based organizations, educational institutions, labor organizations and other
18 workforce service providers to facilitate the provision of workforce develop-
19 ment services and wraparound supports to individuals who participate in the
20 program;

21 “(B) Coordinate with state workforce agencies and other workforce part-
22 ners to expand regional community-based partnerships that work to support
23 and sustain workforce development services and wraparound supports; and

24 “(C) Connect with businesses and organizations in targeted industry sec-
25 tors to identify training needs and ensure that business needs relating to a
26 skilled workforce are met.

27 “(b) An entity that collaborates with a local workforce development board
28 to accomplish the workforce development activities described under this
29 subsection shall, in accordance with ORS 660.327, participate with local
30 workforce development boards in developing a proposed local plan.

1 “(4)(a) If an entity receives funds distributed from a local workforce
2 development board under this section and provides paid work experi-
3 ence to individuals who participate in the program established under
4 this section, the entity shall:

5 “(A) Notwithstanding ORS 653.025 and subsection (2)(h) of this sec-
6 tion, pay wages to individuals participating in the program at a rate
7 that is:

8 “(i) Equivalent to an entry-level training wage as determined by the
9 entity pursuant to paragraph (b) of this subsection; and

10 “(ii) In alignment with the wage progression schedule established
11 by the entity under subparagraph (B) of this paragraph;

12 “(B) Establish a wage progression schedule that includes the step
13 progression requirements and the rate calculation formula upon which
14 the entity shall make determinations about a participating individual’s
15 eligibility to increase the individual’s wage rate from an entry-level
16 training wage to a wage rate that is equivalent to the average area
17 wage standard for an hour’s work in the same trade or occupation in
18 the locality where the labor is performed;

19 “(C) Develop a training plan for individuals participating in the
20 program that includes, at a minimum:

21 “(i) The entry-level training wage that will be paid to the individual;

22 “(ii) A statement that the individual shall be paid according to the
23 wage progression schedule established by the entity, along with a de-
24 scription of the requirements that the individual must meet in order
25 to progress to a higher wage rate under the wage progression schedule;

26 “(iii) A statement that the entry-level training wage paid to the
27 individual may not be less than the federal minimum wage rate or the
28 applicable state minimum wage rate, whichever is greater; and

29 “(iv) A statement explaining that the entry-level training wage paid
30 to the individual is a minimum standard and that a higher wage rate

1 shall be paid to the individual if so required under other applicable
2 federal or state laws, regulations or a collective bargaining agreement;
3 and

4 “(D) Provide each individual participating in the program with a
5 copy of the training plan described in subparagraph (C) of this para-
6 graph on the date on which the individual first begins participating in
7 the program.

8 “(b) For purposes of paragraph (a)(A) of this subsection, the entry-
9 level training wage shall be a percentage amount of the average area
10 wage standard for an hour’s work in the same trade or occupation in
11 the locality where the labor is performed, but in no event may the
12 entry-level training wage be less than the applicable state minimum
13 wage rate under ORS 653.025.

14 “(c) Each individual who performs work for an entity described in
15 this subsection shall be considered an employee of the entity for pur-
16 poses of state wage and hour laws and state laws prohibiting employ-
17 ment discrimination and retaliation.

18 “[~~(4)(a)~~] (5)(a) As used in this subsection, ‘SNAP Employment and
19 Training Program’ means the employment and training component of the
20 federal Supplemental Nutrition Assistance Program under 7 U.S.C. 2015(d)(4).

21 “(b) To the extent possible, the Department of Human Services shall:

22 “(A) Incorporate the Prosperity 10,000 Program into the statewide plan
23 for the SNAP Employment and Training Program;

24 “(B) Seek federal reimbursement for 50 percent of the Prosperity 10,000
25 Program’s costs and for other eligible activities as reported by the local
26 workforce development boards;

27 “(C) Refer individuals who receive supplemental nutrition assistance un-
28 der ORS 411.806 to 411.845 to participate in the Prosperity 10,000 Program;
29 and

30 “(D) Distribute moneys received as reimbursement under subparagraph (B)

1 of this paragraph to local workforce development boards, not later than 60
2 days after the department receives an invoice that is consistent with re-
3 quirements under the SNAP Employment and Training Program, for rein-
4 vestment in workforce development and wraparound supports and services
5 provided under the Prosperity 10,000 Program.

6 “[5] (6) The State Workforce and Talent Development Board, in consul-
7 tation with the Committee for Continuous Improvement, shall:

8 “(a) Oversee the progress of the Prosperity 10,000 Program;

9 “(b) Ensure that program goals are met; and

10 “(c) Identify areas for program improvement.

11 **“SECTION 4.** Section 9, chapter 28, Oregon Laws 2022, is amended to
12 read:

13 **“Sec. 9.** (1) As used in this section:

14 “(a) ‘Community-based organization’ has the meaning given that term in
15 section 4, **chapter 28, Oregon Laws 2022** [of this 2022 Act].

16 “(b) ‘Community college’ has the meaning given that term in ORS 341.005.

17 “(c) ‘Workforce service provider’ includes:

18 “(A) Nonprofit and public workforce education, training and career ser-
19 vices providers.

20 “(B) Governmental entities that are providers of workforce development
21 services.

22 “(2) There is established in the Higher Education Coordinating Commis-
23 sion a program to award grants to workforce service providers and
24 community-based organizations that administer workforce programs in the
25 health care, manufacturing and technology industry sectors and that prior-
26 itize equitable program participation by individuals from priority popu-
27 lations.

28 “(3) The commission shall establish criteria and standards by which a
29 workforce service provider or a community-based organization may submit
30 a proposal to receive a grant under this section. In establishing criteria and

1 standards, the commission shall consider federal nondiscrimination and equal
2 opportunity provisions of the Workforce Innovation and Opportunity Act.
3 The commission shall award grants on a competitive basis, taking into con-
4 sideration proposals that:

5 “(a) Describe how the workforce service provider or the community-based
6 organization intends to engage with employers in the targeted industry sec-
7 tors to provide workforce development opportunities to individuals from
8 priority populations.

9 “(b) Demonstrate the workforce service provider’s or the community-based
10 organization’s experience serving individuals from priority populations.

11 “(c) Describe how the workforce service provider or the community-based
12 organization intends to collaborate with one or more of the following entities
13 to increase accessibility for priority populations to workforce programs and
14 opportunities:

15 “(A) Other workforce service providers or community-based organizations;

16 “(B) Kindergarten through grade 12 schools;

17 “(C) Community colleges;

18 “(D) Education and training partners;

19 “(E) Local workforce development boards;

20 “(F) Economic development organizations;

21 “(G) Industry associations; and

22 “(H) Universities, as defined in section 8, **chapter 28, Oregon Laws 2022**
23 [*of this 2022 Act*].

24 “(d) Demonstrate that a workforce partner with which a workforce service
25 provider or a community-based organization intends to partner possesses
26 specific qualifications, including the organizational and technical capacity,
27 necessary to carry out the purposes described under subsection (5)(a) to (d)
28 of this section.

29 “(e) Prioritize opportunities to leverage the use of other funding sources,
30 including federal funds and private sector contributions, toward workforce

1 programs and opportunities.

2 “(4) In awarding grants under this section, the commission shall consult
3 with the State Workforce and Talent Development Board and shall incorpo-
4 rate input from local workforce development boards and industry consortia
5 convened under section 10, **chapter 28, Oregon Laws 2022** [*of this 2022*
6 *Act*].

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

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

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

11 “(c) To provide wraparound workforce development services;

12 “(d) To develop culturally and linguistically specific career pathways for
13 obtaining certificates, credentials or degrees recognized by targeted industry
14 sectors; and

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

16 “(A) Hiring staff;

17 “(B) Developing organizational development strategies;

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

19 “(D) Covering administrative costs; and

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

22 “**(6)(a) If a grant recipient expends moneys to provide paid work
23 experience to individuals participating in a workforce program ad-
24 ministered by the grant recipient, the grant recipient shall:**

25 “**(A) Notwithstanding ORS 653.025, pay wages to individuals partic-
26 ipating in the program at a rate that is:**

27 “**(i) Equivalent to an entry-level training wage as determined by the
28 grant recipient pursuant to paragraph (b) of this subsection; and**

29 “**(ii) In alignment with the wage progression schedule established
30 by the grant recipient under subparagraph (B) of this paragraph;**

1 **“(B) Establish a wage progression schedule that includes the step**
2 **progression requirements and the rate calculation formula upon which**
3 **the grant recipient shall make determinations about a participating**
4 **individual’s eligibility to increase the individual’s wage rate from an**
5 **entry-level training wage to a wage rate that is equivalent to the av-**
6 **erage area wage standard for an hour’s work in the same trade or**
7 **occupation in the locality where the labor is performed;**

8 **“(C) Develop a training plan for individuals participating in the**
9 **program that includes, at a minimum:**

10 **“(i) The entry-level training wage that will be paid to the individual;**

11 **“(ii) A statement that the individual shall be paid according to the**
12 **wage progression schedule established by the grant recipient entity,**
13 **along with a description of the requirements that the individual must**
14 **meet in order to progress to a higher wage rate under the wage**
15 **progression schedule;**

16 **“(iii) A statement that the entry-level training wage paid to the**
17 **individual may not be less than the federal minimum wage rate or the**
18 **applicable state minimum wage rate, whichever is greater; and**

19 **“(iv) A statement explaining that the entry-level training wage paid**
20 **to the individual is a minimum standard and that a higher wage rate**
21 **shall be paid to the individual if so required under other applicable**
22 **federal or state laws, regulations or a collective bargaining agreement;**
23 **and**

24 **“(D) Provide each individual participating in the program with a**
25 **copy of the training plan described in subparagraph (C) of this para-**
26 **graph on the date on which the individual first begins participating in**
27 **the program.**

28 **“(b) For purposes of paragraph (a)(A) of this subsection, the entry-**
29 **level training wage shall be a percentage amount of the average area**
30 **wage standard for an hour’s work in the same trade or occupation in**

1 the locality where the labor is performed, but in no event may the
2 entry-level training wage be less than the applicable state minimum
3 wage rate under ORS 653.025.

4 “(c) An individual who performs work for grant recipient described
5 in this subsection shall be considered an employee of the grant recip-
6 ient for purposes of state wage and hour laws and state laws prohib-
7 iting employment discrimination and retaliation.

8 “[6] (7) The commission shall compile information from each recipient
9 of a grant under this section regarding the status and use of grant funds to
10 ensure funding is expended for permissible purposes. At a minimum, the in-
11 formation must include, where applicable:

12 “(a) The number of individuals who have registered for or completed a
13 workforce program in health care, manufacturing or technology;

14 “(b) The number of workforce programs developed and administered by a
15 workforce service provider or a community-based organization;

16 “(c) The job placement rate for and income earnings by individuals par-
17 ticipating in a workforce program described under this section;

18 “(d) The number of individuals from priority populations who receive
19 services or benefits from workforce programs administered by a workforce
20 service provider or a community-based organization; and

21 “(e) A description of the types and amount of wraparound workforce de-
22 velopment services provided by a workforce service provider or a
23 community-based organization.

24 “[7] (8) The commission may adopt any rules necessary for carrying out
25 the provisions of this section.

26 “**SECTION 5.** Section 10, chapter 28, Oregon Laws 2022, is amended to
27 read:

28 “**Sec. 10.** (1) As used in this section, ‘community-based organization’ has
29 the meaning given that term in section 4, **chapter 28, Oregon Laws 2022**
30 [*of this 2022 Act*].

1 “(2)(a) The Higher Education Coordinating Commission, in consultation
2 with the State Workforce and Talent Development Board, shall establish a
3 program to convene statewide industry consortia that represent the health
4 care, manufacturing and technology industry sectors. Each individual con-
5 sortium established under this section shall represent a single targeted in-
6 dustry sector.

7 “(b) The purpose of the program is to:

8 “(A) Establish strategic partnerships to align workforce development ac-
9 tivities that aim to increase participation in workforce programs by individ-
10 uals from priority populations;

11 “(B) Develop structured processes to address mutual goals and promote
12 consensus in decision-making;

13 “(C) Identify industry-specific workforce needs in this state, including the
14 need for high-value credentials, to inform the development and implementa-
15 tion of culturally and linguistically diverse workforce education and training
16 curricula;

17 “(D) Develop targeted recruitment strategies to increase equitable partic-
18 ipation by individuals from priority populations in statewide workforce pro-
19 grams; [*and*]

20 “(E) Promote workforce development programs and activities in the tar-
21 geted industry sectors[.]; **and**

22 “(F) **Establish wage rate standards, varied by locality, for each**
23 **skilled occupation within each of the sectors specified in paragraph (a)**
24 **of this subsection.**

25 “(3) **Once every two years, each industry consortium established**
26 **under this section shall:**

27 “(a) **Recalculate the wage rate standards described in subsection**
28 **(2)(b)(F) of this section using relevant economic and employment data**
29 **made available by the Employment Department. If there is no such**
30 **data available, the consortium shall recalculate the wage rate stan-**

1 **ards using relevant economic and employment data made available**
2 **from other resources, as identified by the commission by rule.**

3 **“(b) Submit a statement to the commission summarizing the**
4 **methodology used to recalculate the wage rate standards and the date**
5 **on which the new wage rate standards shall take effect.**

6 **“[(3)(a)] (4)(a)** An industry consortium established under this section shall
7 operate under the direction of a leadership team composed of the following
8 representatives from the consortium’s targeted industry sector:

9 **“(A)** A representative who is a business leader.

10 **“(B)** A representative of a community-based organization that administers
11 one or more workforce programs.

12 **“(C)** One or more representatives of workforce education and training
13 providers.

14 **“(D)** A representative of a labor organization.

15 **“(b)** To the extent practicable, members of the leadership team shall in-
16 clude individuals who are representative of priority populations.

17 **“(c)** The membership of an industry consortium established under this
18 section must include, in addition to the members of the leadership team, the
19 following:

20 **“(A)** One or more representatives from the State Workforce and Talent
21 Development Board.

22 **“(B)** One or more representatives of the Racial Justice Council within the
23 Office of the Governor.

24 **“(C)** One or more representatives of employers.

25 **“(D)** One or more representatives of an industry association.

26 **“(E)** One or more representatives of labor organizations.

27 **“(F)** One or more representatives of local workforce development boards.

28 **“(G)** One or more representatives of economic developers.

29 **“[(4)] (5)** The State Workforce and Talent Development Board, or any
30 other neutral entity designated by the board, shall serve as the intermediary

1 between the industry consortia members.

2 “[5] (6) The commission may adopt any rules necessary to carry out the
3 provisions of this section.

4 **“SECTION 6. Section 2 of this 2023 Act and the amendments to
5 sections 3 and 9, chapter 28, Oregon Laws 2022, by sections 3 and 4 of
6 this 2023 Act apply to entities that receive funds on or after the ef-
7 fective date of this 2023 Act.”.**

8
