



April 18, 2023

Education Subcommittee
Joint Committee on Ways and Means
900 Court St., NE
Salem, OR 97301

Re: HECC Funding for Construction Workforce Development

Dear Education Subcommittee Members of the Joint Committee on Ways and Means:

Oregon is facing an unprecedented housing crisis. **A key driver of the crisis is the lack of a robust construction workforce to meet needed production levels.** Today, few young people are choosing careers in construction. This coupled with the dramatic increase in retirements results in fewer people building homes. Support for construction workforce development, especially in the rural communities where the need is exasperated, will assist in providing a focused approach while adding skilled workers to support economic growth.

Your support of workforce investment related programs results in diverse partners and programs engaging in construction workforce training including local workforce development boards, WorkSource Oregon contract providers, community college apprenticeship programs, education service districts and community-based workforce development programs such as YouthBuild. Our local partners, led by construction industry employer, have been convened by our local workforce board to coordinate and scale a community wide partnership that includes a BOLI certified pre-apprenticeship and apprenticeship program utilizing the [NCCER](#) standards/curriculum to deliver construction education in areas aligned across secondary and post-secondary cultivating a highly effective way to increase a construction workforce pipeline throughout the state.

Strengthening these programs and partnerships are our best opportunity to generating the robust workforce Oregon needs to address our unprecedented housing crisis. However, there are two areas that are missing from the workforce development investment:

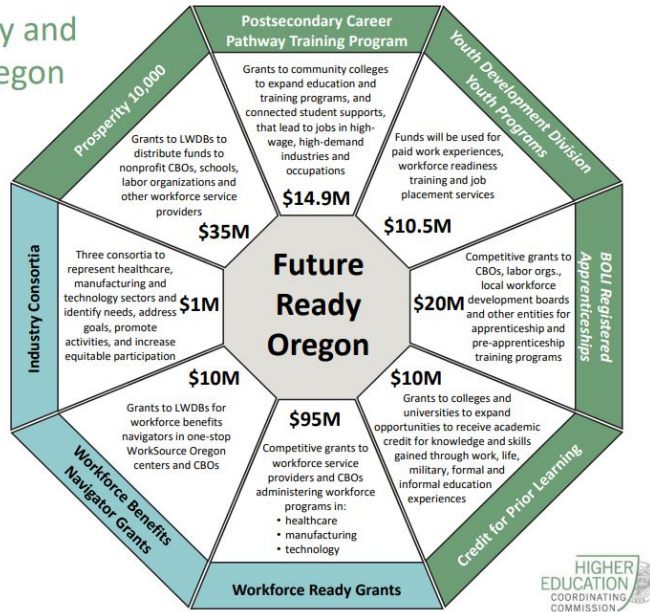
1. An investment to support Sector Strategies/On the Job Training/Board Support. This investment has not been increased but rather decreased over the past several biennia. These funds flow through the Office of Workforce Investments within the HECC to Local Workforce Development Boards. An increase in these funds, targeted at the Construction Industry, would be a strategic way to accomplish on the job training, a hire first training model wherein employers can be reimbursed for the cost of training individuals on the job.
2. The carry forward of \$111.8M in ARPA funding as recommended by Governor Kotek to support Future Ready Oregon, is a critical component that currently excludes construction from the \$95M specified for Workforce Ready Grant Programs (see

diagram from HECC Presentation below). **Construction is missing as an eligible sector.** We ask that the committee add construction as an eligible sector 2023-2025 biennium.

Funding For Workforce Equity and Innovation: Future Ready Oregon

Passed in Spring 2022, SB 1545 invested \$200M to multiple agencies (including HECC) to:

- advance more equitable workforce system by expanding and innovating workforce training, and
- raise economic prosperity by connecting individuals to the training they need for well-paying jobs and connecting businesses to the skilled labor they need for growth.



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These investments will assist in achieving the Governor’s goal of building 36,000 homes each year for the next 10 years. We urge you to ensure Oregon has the labor force necessary to achieve our needed housing goals.

Sincerely,
Jodi Hack

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 Oregon Home Builders Association
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