

HB 3029 -1, -2 STAFF MEASURE SUMMARY

House Committee On Higher Education and Workforce Development

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/13, 3/20, 4/3, 4/8

WHAT THE MEASURE DOES:

The measure establishes a grant program within the Higher Education Coordinating Commission (HECC) for local workforce development boards to convene local industry sector partnerships. It requires both the State Workforce and Talent Development Board (WTDB) and the nine local boards to identify critical workforce shortages and strategic workforce opportunities. It transitions the Prosperity 10,000 Program to an ongoing program, renames it the Prosperity Program, and modifies elements of the program. It expands the workforce grants and industry consortia established in Future Ready Oregon to industries aligned with critical workforce shortages and strategic workforce opportunities. The measure also modifies the findings, purpose, and programs of the Oregon Youth Corps (OYC) and creates staggered terms on the Oregon Youth Works Advisory Board.

Detailed Summary

Section 2

Establishes a grant program within the Higher Education Coordinating Commission (HECC) for local workforce development boards to convene local industry sector partnerships. Specifies the allowable uses of such grants and required elements of local industry sector partnerships.

Section 3

Defines critical workforce shortage and strategic workforce opportunity. Adds individuals from immigrant and refugee communities to priority populations served by state workforce programs.

Section 4

Requires the state Workforce and Talent Development Board (WTDB) to identify critical workforce shortages and strategic workforce opportunities, in collaboration with the Oregon Business Development Department and Oregon Employment Department.

Section 5

Requires local workforce development boards to identify critical workforce shortages and strategic workforce opportunities based on criteria established by the WTDB. Requires the local boards' strategies to align with the identified shortages and opportunities.

Section 6 and 7

Transitions the Prosperity 10,000 Program to an ongoing program and renames it the Prosperity Program. Requires local boards to establish criteria and standards for distributing Prosperity Program resources. Requires local boards to align their administration of the program with critical workforce shortages and strategic workforce opportunities. Requires local boards to consider funding proposals that align with targeted industry sectors, serve individuals with priority populations, include collaboration with industry and education partners, and prioritize the use of federal and private funds.

Section 8

Expands the industries in which HECC may award workforce grants to include sectors aligned with critical workforce shortages and strategic workforce opportunities. Allows HECC to award grants directly to workforce

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service providers and community-based organizations outside of the established competitive grant process, in consultation with the WTDB.

Section 9

Authorizes HECC to award grants on an ongoing basis for partnerships between local boards and comprehensive one-stop centers or workforce benefits navigators.

Section 10

Expands the industries in which HECC may convene statewide industry consortia to include sectors aligned with critical workforce shortages and strategic workforce opportunities. Requires HECC to collaborate with the WTDB and industry consortia to assess target industries and inform the identification of critical workforce shortages and strategic workforce opportunities.

Section 11

Modifies the findings and purposes Oregon Youth Corps. Removes language relating to disadvantaged and at-risk, expands language to both youth and young adults, and replaces language related to conservation work with language related to community-based work. Expands the purpose of the Oregon Youth Corps to include supporting vulnerable communities, including communities of color, indigenous communities, communities with limited English proficiency, and low-income communities.

Section 12 and 13

Expands purpose of Oregon Youth Corps to include community service activities and education and job training for youth and young adults. Requires HECC to directly operate and administer the Oregon Youth Corps and removes the position of program director. Removes requirement that participants be lawful permanent residents of Oregon.

Section 14

Expands the programs established under the Oregon Youth Corps to include clean energy projects, child care services, elderly and disabled care services, literacy education programs, recycling and waste reduction, wildlife community risk reduction, and construction and trades.

Section 15 and 16

Aligns requirements for youth workforce development programs, including the Oregon Youth Corps (OYC), the Oregon Conservation Corps (OCC) Program, and the Oregon Youth Employment Program (OYEP).

Section 17

Permits the Oregon Youth Works Advisory Board to solicit private donations to support the OCC and permits HECC to implement a grant process to support the activities of the OCC in consultation with the State Forestry Department and the Department of the State Fire Marshal. Requires HECC to submit a biennial report to the Legislative Assembly on expenditures from the Oregon Conservation Corps Fund.

Section 18 and Section 20

Modifies the term of appointments to the Oregon Youth Works Advisory Board to create staggered expiration dates. Applies to appointments made on or after the measure's effective date.

Section 19

Repeals the Oregon Community Stewardship Corps and the Oregon Conservation Corps Advisory Committee.

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Fiscal impact: May have fiscal impact, but no statement yet issued.

Revenue impact: May have revenue impact, but no statement yet issued.

ISSUES DISCUSSED:

- Proposed amendment
- Inclusion of regional universities on local workforce development boards
- Interaction between state workforce development programs and labor organization workforce development programs
- Establishing statutory framework for potential future funding

EFFECT OF AMENDMENT:

-1 The amendment adds a public university to the membership of each local workforce development board.

-2 The amendment replaces the measure with substantially similar language. It requires grant proceeds to be distributed according to a formula determined by the commission in rule. It requires WTDB to collaborate with local workforce development boards in addition to the Oregon Business Development Department and Oregon Employment Department. It also requires WTDB to define public workforce system in consultation with local boards and relevant state agencies. The amendment requires local boards to address alignment with youth workforce development programs in their local plans developed in accordance with federal requirements. It adds private nonprofit universities to entities that can collaborate with grantees. It removes language that would have required HECC to align workforce development programs with state and federal law relating to management, oversight, and administration of public lands. It requires grants made through specified workforce development grant programs align with the local plan developed by local workforce development boards.

BACKGROUND:

In 2022, the Legislative Assembly enacted a \$200 million package of workforce development investments known as Future Ready Oregon in [Senate Bill 1545 \(2022\)](#). Of that investment, \$35 million was directed toward local workforce development boards under a program known as Prosperity 10,000. Other Future Ready Oregon funding targeted the health care, manufacturing, and construction industries by funding apprenticeships and workforce grants and establishing industry consortia.

Local workforce development boards are a system of business-led boards in all fifty states that are funded by the federal Workforce Innovation and Opportunity Act (WIOA). In Oregon, there are nine local workforce development boards, as well as a statewide Workforce & Talent Development Board, which is tasked with advising the Governor on workforce matters and developing a strategic plan for workforce development. The Higher Education Coordinating Commission (HECC) is responsible for administering both state and federal workforce development grant programs in Oregon.

During the 2023-2024 biennium, the House Committee on Higher Education received updates on Future Ready Oregon on [January 31, 2023](#), and on Prosperity 10,000 on [January 11, 2024](#). On [December 12, 2024](#), the House Interim Committee on Higher Education heard a presentation about Prosperity 10,000 in anticipation of a proposal for continued funding for the program.

The Oregon Youth Corps (OYC) was established in 1987 as the Oregon Youth Conservation Corps and last updated by [House Bill 2871 \(2019\)](#). OYC provides grant funding, training, and resources to youth-serving agencies across the state to create employment and workforce development opportunities for youth, particularly in the areas of stewardship and natural resources. [House Bill 3563 \(2023\)](#) consolidated the governance of three youth workforce development programs (the Oregon Youth Corps (OYC), Oregon Conservation Corps (OCC), and Oregon Youth Employment Program (OYEP)) under a new Oregon Youth Works Advisory Board.