

HOUSE AMENDMENTS TO HOUSE BILL 2206

By COMMITTEE ON WORKFORCE AND ECONOMIC DEVELOPMENT

April 19

1 On page 1 of the printed bill, line 2, after the semicolon delete the rest of the line and insert
2 “appropriating money; and declaring an emergency.”.

3 Delete lines 19 through 30 and delete pages 2 and 3 and insert:

4 **“SECTION 1. Sections 2 and 3 of this 2007 Act are added to and made a part of ORS**
5 **660.300 to 660.339.**

6 **“SECTION 2. (1) The Skill Up Oregon Fund is established in the State Treasury, separate**
7 **and distinct from the General Fund. Interest earned by the Skill Up Oregon Fund shall be**
8 **credited to the fund. Except as provided in subsection (2) of this section, moneys in the fund**
9 **are continuously appropriated to the Department of Community Colleges and Workforce**
10 **Development for the purposes of section 3 of this 2007 Act.**

11 **“(2)(a) The Apprenticeship Support Account is established in the Skill Up Oregon Fund.**
12 **Interest earned by the account shall be credited to the account. Separate records shall be**
13 **maintained for moneys in the account.**

14 **“(b) Each biennium, the department shall transfer 10 percent of the total amount of**
15 **moneys distributed from the Skill Up Oregon Fund, but not more than \$4 million, to the ac-**
16 **count. In addition, the account may consist of other federal and local government funds**
17 **made available or donated to the State Apprenticeship and Training Council for the purposes**
18 **of section 5 of this 2007 Act.**

19 **“(c) Moneys in the account are continuously appropriated to the State Apprenticeship**
20 **and Training Council for the purposes of section 5 of this 2007 Act.**

21 **“(3) The department may use a portion of the moneys in the fund, and the council may**
22 **use a portion of the moneys in the account, for administrative costs. The amount of moneys**
23 **used by the department or council for administrative costs may not exceed the limitation**
24 **on administrative costs established in the federal Workforce Investment Act.**

25 **“(4) Based on the limitations on administrative costs specified in subsection (3) of this**
26 **section, the department and the council shall limit the percentage of grant funds that may**
27 **be used for administrative costs by grant recipients.**

28 **“SECTION 3. (1) The Department of Community Colleges and Workforce Development**
29 **shall award grants to local and regional workforce investment boards based on guidelines**
30 **developed by the State Workforce Investment Board for the WorkSource Oregon system in**
31 **cooperation with local and regional workforce investment boards.**

32 **“(2) The department shall determine the allocation of the grants among local and re-**
33 **gional boards based on the following local and regional factors:**

34 **“(a) The size of the labor force;**

35 **“(b) The unemployment rate; and**

1 “(c) The number of employers.

2 “(3) The State Workforce Investment Board shall identify for each biennium a list of
3 high-demand occupations for which an individual may receive training using grant funds
4 awarded under this section. The board shall base the list on research, data and analysis
5 provided by the Employment Department and the Economic and Community Development
6 Department in reports and on projections for both new and replacement jobs.

7 “(4) In determining the occupations to target within its region with grant funds for a
8 biennium, each local or regional board that receives a grant shall:

9 “(a) Review the list of high-demand occupations created by the State Workforce Invest-
10 ment Board and compare the list with regional data and the regional investment plan;

11 “(b) Consider employer needs, regional investment plans and targeted industry clusters;
12 and

13 “(c) Give preference to occupations for which employers in the region have expressed
14 willingness to provide internships, paid employment or other work experience.

15 “(5) Grant funds shall be used to address the needs of the following categories of transi-
16 tional workers:

17 “(a) Unemployed workers, including both individuals receiving unemployment insurance
18 and individuals not receiving unemployment insurance;

19 “(b) Dislocated workers; and

20 “(c) Low-skilled workers, including individuals who have received or are currently re-
21 ceiving public assistance.

22 “(6) The purpose of the grants is to address work readiness, literacy and technical skills
23 of individuals. Local and regional boards may use the grants to:

24 “(a) Assess individuals for gaps in work readiness, literacy and technical skills;

25 “(b) Contract with regionally accredited education providers, or with providers that are
26 on the list of eligible training providers maintained by the Department of Community Col-
27 leges and Workforce Development under ORS 660.318, to train individuals in work readiness,
28 literacy and technical skills required to overcome barriers to employment;

29 “(c) Contract with regionally accredited education providers, or with providers that are
30 on the list described in paragraph (b) of this subsection, to train individuals in technical
31 skills that focus on occupations identified by local and regional boards in the target industry
32 clusters identified in regional investment plans; and

33 “(d) Contract with regionally accredited education providers, or with providers that are
34 on the list described in paragraph (b) of this subsection, to train individuals to provide the
35 individuals with certificates, degrees or industry-recognized credentials that will document
36 the industry-related competencies, knowledge, skills and abilities that have application in the
37 high-demand occupations identified by the State Workforce Investment Board.

38 “(7) Regionally accredited education providers, or providers that are on the list described
39 in subsection (6)(b) of this section, contracted by local and regional boards shall provide
40 training that prepares individuals to qualify for skilled jobs or pathways to skilled jobs that
41 pay a median or higher wage for the region in one of the high-demand occupations.

42 “(8) Regionally accredited education providers, or providers that are on the list described
43 in subsection (6)(b) of this section, contracted by local and regional boards shall provide
44 training to individuals on a first-come, first-served basis, with priority going to those indi-
45 viduals who would no longer need public assistance after training.

1 “(9) A regionally accredited education provider, or a provider that is on the list described
2 in subsection (6)(b) of this section, contracted by a local or regional board may provide
3 training to an individual for up to one year. Each individual who receives training should,
4 whenever possible, take one class that has an internship or offers work experience with an
5 employer.

6 “(10) An individual may use training funds for:

7 “(a) Tuition;

8 “(b) Books;

9 “(c) Fees;

10 “(d) Support services; and

11 “(e) Additional training after the individual becomes employed if the training will advance
12 the individual to the next level in the individual’s career or prepare the individual for ad-
13 vancement and the training prepares the individual for a job that meets retention require-
14 ments established by the State Workforce Investment Board.

15 “(11) Individuals who receive training in anticipation of acquiring a new job may receive
16 training only for jobs that meet the wage level requirements established in subsection (7) of
17 this section.

18 “(12) An individual may receive no more than \$3,000 each biennium under this section.

19 “(13) Local and regional boards may use grant funds for the administrative costs of the
20 program. The Department of Community Colleges and Workforce Development shall limit the
21 amount of grant funds that may be used for administrative costs by a local or regional board
22 so that the amount of grant funds used for those administrative costs does not exceed the
23 limitation on administrative costs established in the federal Workforce Investment Act.

24 “(14) Local and regional boards shall report to the department on the use of grant funds
25 and any performance measures required by the State Workforce Investment Board.

26 “SECTION 4. Section 5 of this 2007 Act is added to and made a part of ORS 660.002 to
27 660.210.

28 “SECTION 5. (1) Based on guidelines developed by the State Apprenticeship and Training
29 Council, in consultation with the State Workforce Investment Board, the council shall award
30 grants for programs that enhance the development of an apprenticeship and training system
31 that supplies skilled labor to meet the occupational demands of the construction and manu-
32 facturing industries. The council shall give a preference to grant applicants that agree to
33 match the moneys received from the grant with private funds or in-kind services or mate-
34 rials having a value that is equal to or greater than the amount of the grant.

35 “(2) To better integrate local apprenticeship and training programs with the state’s
36 workforce system for the purpose of recruitment, retention, assessment or preparation of
37 applicants for entry into those programs, grant applicants shall demonstrate that integration
38 or a high level of coordination exists between local joint committees with which the grant
39 applicant has a relationship and other strategic partners, where applicable, or that the grant
40 applicant has the capacity to quickly establish such integration or coordination.

41 “(3) The council may award grants on a competitive basis to any of the following:

42 “(a) Apprenticeship and training programs that are registered with the council;

43 “(b) School districts and education service districts;

44 “(c) Post-secondary educational institutions;

45 “(d) Not-for-profit organizations; and

1 “(e) Local or regional workforce investment boards.

2 “(4) The council shall seek information on supply and demand for apprenticeable occu-
3 pations from the Employment Department and from other sources of reliable data and
4 analysis.

5 “(5) Prior to awarding grant funds for other programs, the council shall award grant
6 funds for programs that provide training for apprenticeable occupations that pay at or above
7 the median income for the county in which the program is located and that are included on
8 the regional list of high demand occupations.

9 “(6) In developing guidelines for awarding grant funds, the council shall consider em-
10 ployer needs, local and state workforce strategic plans and information on supply and de-
11 mand obtained by the council under subsection (4) of this section.

12 “(7) The grants may be used to:

13 “(a) Provide technical assistance to promote, expand or improve apprenticeship and
14 training programs;

15 “(b) Educate middle and high school students about apprenticeable occupations;

16 “(c) Provide individuals with practical experience in apprenticeable occupations to in-
17 crease their skills as necessary to enter an apprenticeship program;

18 “(d) Provide financial assistance or supportive services to apprentices to complete a
19 program;

20 “(e) Develop a curriculum for programs in rural areas;

21 “(f) Increase diversity in apprenticeship and training programs and in apprenticeable oc-
22 cupations;

23 “(g) Develop and provide an educational outreach program coordinated by the council to
24 increase awareness of apprenticeship and training programs;

25 “(h) Address systemic barriers that deter the efficient transition of high school students
26 into apprenticeship and training programs; and

27 “(i) Build connections between individuals in the workforce and the apprenticeship
28 training system.

29 “(8) Grant recipients may use grant funds for the administrative costs of the program.
30 The council shall limit the amount of grant funds that may be used for administrative costs
31 by a grant recipient so that the amount of grant funds used for those administrative costs
32 does not exceed the limitation on administrative costs established in the federal Workforce
33 Investment Act.

34 “(9) The council, in consultation with the State Workforce Investment Board, shall adopt
35 performance measures for programs that receive grant funds.

36 “(10) Each biennium, the council shall report to the Governor on the use of grant funds
37 and the performance measures established by the council.

38 “**SECTION 6.** This 2007 Act being necessary for the immediate preservation of the public
39 peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect
40 July 1, 2007.”.