

# Senate Bill 720

Sponsored by COMMITTEE ON WORKFORCE

## 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**.

Authorizes county governing bodies and small business employers to enter into agreements for reimbursement of portion of wages paid to youth employees. Specifies minimum requirements for terms of agreement.

Establishes First-time Employment Youth Wage Reimbursement Project in Oregon Business Development Department. Authorizes department to award grants to reimburse county governing bodies for reimbursements made under agreements with small business employers for wages paid to youth employees. Directs department to adopt rules to implement project.

Establishes First-time Employment Youth Wage Reimbursement Project Fund. Appropriates moneys from General Fund to department for purpose of Act.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

Relating to youth employment incentives for small businesses; and declaring an emergency.

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

### **SECTION 1. As used in sections 1 to 5 of this 2015 Act:**

(1) **"Agreement" means a first-time employment youth wage agreement entered into between a county governing body and a small business employer in accordance with section 3 of this 2015 Act.**

(2) **"County governing body" means the county court or board of county commissioners of a county.**

(3) **"Small business employer" means an employer having 35 or fewer employees that is located and doing business within the county where an agreement under section 3 of this 2015 Act has been or is being made with a county governing body.**

(4) **"Youth employee" means an individual who:**

(a) **Is 14 through 19 years of age;**

(b) **Is eligible to work under federal and state labor laws;**

(c) **Has been hired by a small business employer;**

(d) **Has never been employed before within the county where an agreement under section 3 of this 2015 Act has been or is being made between a small business employer and a county governing body; and**

(e) **Is a resident of the county where an agreement under section 3 of this 2015 Act has been or is being made between a small business employer and a county governing body.**

### **SECTION 2. The Legislative Assembly finds that:**

(1) **Oregon youth require meaningful first-time employment opportunities;**

(2) **Current economic conditions make it difficult for youth to find first-time employment;**

(3) **Small businesses should be incentivized to hire youth employees who have never been employed before in the county where the small business is located in order to provide youth employees with first-time employment experience; and**

**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.

1 (4) First-time youth employment wage agreements will benefit small businesses and local  
 2 communities, and contribute to regional economic development in this state.

3 **SECTION 3.** (1) A county governing body may enter into a first-time employment youth  
 4 wage agreement with a small business employer pursuant to which the county will reimburse  
 5 the small business employer at the rate of two dollars per hour of employment worked by a  
 6 youth employee for whom an application has been submitted and approved in accordance  
 7 with this section.

8 (2) The agreement entered into pursuant to subsection (1) of this section shall:

9 (a) Specify that the maximum number of youth employees a small business employer may  
 10 employ and be reimbursed for is three youth employees at any one time;

11 (b) Provide that the maximum amount of reimbursement per youth employee may not  
 12 exceed \$1,000;

13 (c) Provide that the maximum amount of reimbursement per small business employer  
 14 may not exceed \$3,000 per year;

15 (d) Indicate a specific period of time during which reimbursement for each youth em-  
 16 ployee will be made, not to exceed six months, unless extended by written agreement of the  
 17 parties; and

18 (e) Describe the documentation and actions required for the small business employer to  
 19 obtain reimbursement from the county governing body.

20 (3) A small business employer may apply to obtain reimbursement for youth employees  
 21 by submitting a completed application in the form and manner required by the county gov-  
 22 erning body. Upon approval of the application, the county governing body may enter into an  
 23 agreement with the small business employer in accordance with this section.

24 (4) The county governing body shall make payment of approved requests for reimburse-  
 25 ment from small business employers within 30 days of receipt of the request for reimburse-  
 26 ment.

27 **SECTION 4.** (1) There is established in the Oregon Business Development Department the  
 28 First-time Employment Youth Wage Reimbursement Project.

29 (2) The department may award grants and make expenditures from the First-time Em-  
 30 ployment Youth Wage Reimbursement Project Fund established under section 5 of this 2015  
 31 Act to reimburse a county governing body for all or a portion of the amount of reimburse-  
 32 ment that the county governing body pays a small business employer pursuant to agree-  
 33 ments entered into in accordance with section 3 of this 2015 Act.

34 (3) The department shall adopt rules to implement the provisions of this section, includ-  
 35 ing but not limited to eligibility standards, repayment criteria and other requirements as  
 36 deemed necessary by the department.

37 **SECTION 5.** (1) The First-time Employment Youth Wage Reimbursement Project Fund  
 38 is established in the State Treasury, separate and distinct from the General Fund. Interest  
 39 earned by the First-time Employment Youth Wage Reimbursement Project Fund shall be  
 40 credited to the fund.

41 (2) Moneys in the fund consist of:

42 (a) Amounts donated to the fund;

43 (b) Amounts appropriated or otherwise transferred to the fund by the Legislative As-  
 44 sembly;

45 (c) Investment earnings received on moneys in the fund;

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**(d) Repayment of grants; and**

**(e) Other amounts deposited in the fund from any source.**

**(3) Moneys in the fund are continuously appropriated to the Oregon Business Development Department for the purpose of implementing and administering the provisions of section 4 of this 2015 Act and to pay the administrative costs associated with the fund.**

**SECTION 6. There is appropriated to the Oregon Business Development Department, for the biennium beginning July 1, 2015, out of the General Fund, the amount of \$\_\_\_\_\_ for the purpose of carrying out the provisions of section 4 of this 2015 Act.**

**SECTION 7. This 2015 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect on its passage.**

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