SB 623 -3 STAFF MEASURE SUMMARY

Senate Committee On Education

Prepared By: Matt Perreault, LPRO Analyst **Meeting Dates:** 4/5, 4/7

WHAT THE MEASURE DOES:

Requires each local workforce development board to annually evaluate statewide workforce programs under the one-stop delivery system and specifies requirements. Requires each local workforce development board to provide a review of, and recommendations on, workforce programs to State Workforce and Talent Development Board. Requires State Workforce and Talent Development Board to report on workforce programs to Governor and legislative committees annually by October 1. Requires state workforce agencies to annually provide local workforce development boards with information regarding moneys and services available, and quarterly provide local workforce development boards with expenditure and performance information for workforce programs. Requires state workforce agencies to implement all lawful and approved recommendations made by local workforce development boards and specifies requirements. Directs Governor to consult with members of Legislative Assembly to establish funding formula for state workforce agencies to support evaluations of workforce programs. Establishes grant program within Office of Community Colleges and Workforce Development to offer grants to local workforce development boards for Oregon Youth Employment Program. Requires local workforce development boards to ensure that at least 75 percent of youth participants are from historically underrepresented communities. Allows Higher Education Coordinating Commission to adopt rules necessary for implementation. Appropriates moneys from General Fund to Higher Education Coordinating Commission for upcoming biennium for youth employment grant program. Appropriates moneys from General Fund to Higher Education Coordinating Commission for upcoming biennium for allocation to local workforce development boards that meet certain conditions. Establishes grant program within Office of Community Colleges and Workforce Development to fund pilot programs for adult learning and specifies requirements. Appropriates moneys from General Fund to Higher Education Coordinating Commission for upcoming biennium for adult learning grant program. Directs State Workforce and Talent Development Board to convene representatives from local workforce development boards, state workforce agencies, and other stakeholders to identify and report on recommendations to address effects of COVID-19 pandemic and 2020 wildfire disasters to legislative committees within 45 days of effective date. Sunsets June 30, 2023. Declares emergency, effective on passage.

REVENUE: May have revenue impact, but no statement yet issued

FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

- Economic impacts of COVID-19 pandemic and 2020 wildfires
- Importance of coordination between state agencies and local workforce development boards
- Necessity of comprehensive assessment of current workforce system
- Overlapping priorities of economic and workforce development
- Importance of diversifying workforce

EFFECT OF AMENDMENT:

-3 Replaces the measure. Establishes Committee for Continuous Improvement. Directs State Workforce and Talent Development Board to consult with state workforce agencies and local workforce development boards to assess through the committee the effectiveness of the state's public workforce development system. Directs committee to contract with an independent consultant to conduct biennial review and assessment of public

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workforce system and develop recommendations. Specifies requirements and objectives of assessment. Requires committee to report on assessment to Governor and interim legislative committees biennially by December 15. Declares emergency, effective on passage.

REVENUE: May have revenue impact, but no statement yet issued

FISCAL: May have fiscal impact, but no statement yet issued

BACKGROUND:

The federal Workforce Innovation and Opportunity Act of 2014 overhauled the country's workforce and job training framework at the state and local level, providing funding and a framework for one-stop delivery of workforce development services. The Oregon Workforce and Talent Development Board coordinates statewide policy for workforce development through several state agencies, including the Higher Education Coordinating Commission (HECC), the Oregon Employment Department (OED), the Oregon Commission for the Blind (OCB), the Department of Human Services (DHS), the Bureau of Labor and Industries (BOLI), and the Oregon Business Development Department (Business Oregon). In addition, nine local workforce development boards across the state operate a one-stop delivery system for workforce training programs.

Senate Bill 623 establishes requirements for state workforce agencies to interact with local workforce development boards, establishes workforce development grant programs and allocates moneys from the General Fund, and directs the Workforce and Talent Development Board to convene stakeholders to develop a response to the disruptions caused by the COVID-19 pandemic and the 2020 wildfire disasters.