

Testimony on SB 623A  
Committee on Economic Recovery and Prosperity  
May 18, 2021

I am writing in support of SB 623A and to offer a suggestion for possible improvement. Under Section 4, Page 3, I would like to see language added to the effect of “The comprehensive assessment shall be conducted with a focus on ... providing supportive services, including child care subsidies, to registered apprentices with an emphasis on promoting diversity, equity, and inclusion in the industry’s workforce.”

By way of context, I have been involved in workforce development for almost 24 years, including working for 10 years on a program that aims to improve diversity and retention in certain occupations. I am not authorized to speak on behalf of any agency, however, so these opinions are my own, and I am sharing them on my own time.

I believe that my suggestion would help you to achieve several valuable public policy objectives:

- 1) It would encourage the workforce development partners to **correct a market distortion** that has been created in the construction industry by the successful program sponsored by ODOT (in partnership with BOLI) under ORS 184.866 to promote opportunities in the highway construction trades. It has been documented by third-party evaluations that women and people of color are now completing programs at rates closer to their white male peers in the targeted trades. Unfortunately, because of the siloed nature of the funding source, supportive services (including child care subsidies that supplement Employment Related Day Care) are mostly limited to carpenter, cement mason, iron worker, laborer, operating engineer, and painter apprentices and not to brick mason, sheet metal worker, and roofer apprentices, among others, that are more involved in vertical building.
- 2) It would help to **prevent a problematic benefits cliff** for lower income working parents, including many women and people of color who are under-represented in the trades. This will be accentuated if the ERDC program is improved by limiting co-pays to no more than seven percent (7%) of family income, as has been proposed this session. An apprentice who is a single parent, coming out of a minimum wage job or off of public assistance programs would have ERDC to cover most of what may be as much as \$1,000 per month in child care costs for one toddler. After one year (of a program that will take 2 to 5 years to complete), the apprentice may be making \$4,500 per month and no longer qualify for ERDC. The child care costs for that apprentice may then go from about \$315 per month (7% of household income) to \$1,000 per month (about 22% of household income). The margin for error for layoffs and major expenses like car repairs and health care bills now is very low, and it becomes more likely that the apprentice will drop out, and the program and its employers will have to start over after having made a year’s investment in the apprentice.
- 3) It would **provide a valuable incentive for employers and workers to participate in registered apprenticeship**, as they seek career training for their industry and not just job training for their next job. This, in turn, has the potential to improve the overall skills and productivity of the workforce and to meet the middle level of the state’s 40-40-20 education goal through journey worker credentials.

Thank you for your consideration,

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