

SB 1545 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/3

WHAT THE MEASURE DOES:

Creates a grant program within the Higher Education Coordinating Commission (HECC) to make grants to provide increased access for priority populations to workforce programs and training opportunities in construction, health care, and manufacturing. Limits the use of grant moneys for career coaching, occupational training, and job placement services, support services such as transportation, child care, and rental assistance, paid work experiences and income supports for individuals in priority populations, and to support targeted recruitment and engagement. Appropriates \$35 million for the grants.

Defines "priority population" to mean communities of color, women, low-income communities, rural and frontier communities, veterans, and participants in offender reentry programs.

Creates a grant program within HECC to make grants to community colleges to develop career pathway training programs for individuals in priority populations to obtain necessary skills for job or career advancement in construction, health care, or manufacturing. Establishes minimum standards of a career pathway training program to ensure eighty percent of program participants successfully complete the program, obtain occupational credential, and obtain employment and to reduce disparities experienced by priority populations in gaining employment or career advancement. Limits use of the grant moneys to connect with priority populations to provide access to career pathway training programs, collaborate with specified entities to achieve fullest participation in career pathway training programs, employ a rigorous assessment strategy, procure equipment to provide modernized training experience, and to identify other funding sources. Directs HECC to submit a report to the Legislative Assembly regarding workforce development by December 31, 2022. Appropriates \$17 million for the career pathway training program.

Establishes a grant program within HECC, in coordination with the Bureau of Labor and Industries, for registered apprenticeship and pre-apprenticeship training programs in construction, health care, and manufacturing. Directs the use of grant moneys for the development of apprenticeship and pre-apprenticeship programs prioritizing individuals from priority populations. Limits use of grant moneys for specified purposes, including convening employers in construction, health care, and manufacturing, providing recruitment and outreach, providing tuition and fee assistance, providing wraparound supports and services, and providing paid work experiences. Appropriates \$20 million for the registered apprenticeship program.

Establishes a grant program through the Youth Development Division (YDD) for youth workforce programs. Limits use of grant moneys to specified purposes, including paid work experiences, workforce readiness training, and job placement services. Requires the YDD to submit a report to the Legislative Assembly regarding workforce development by December 31, 2022. Appropriates \$6,500,000 for the youth workforce programs.

Establishes a grant program within the Office of Community College and Workforce Development for increasing opportunities to receive academic credit toward a certificate or credential in construction, health care, or manufacturing for prior experience or skills gained by individuals in priority populations. Specifies use of grant moneys for development and assessment criteria to evaluate qualifying experience and skills, staff training, and recruitment of priority populations. Appropriates \$10 million for the academic credit program.

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Establishes a grant program within the HECC for workforce programs in construction, health care, and manufacturing that prioritize equitable participation by individuals in priority populations. Specifies use of grant moneys, including to provide work experience, tuition and fee assistance, wraparound workforce development services, and development of culturally and linguistically specific career pathways. Requires the HECC to report to the Legislative Assembly on specified information related to participants in the workforce program by December 31, 2022. Appropriates \$25 million for the workforce program.

Establishes a program within the HECC, in consultation with the State Workforce and Talent Development Board (SWTDB), to convene industry consortia that represent construction, health care, and manufacturing sectors. Specifies the purposes of the program, including to establish strategic partnerships, mutual goal-setting, identify industry-specific workforce needs, and develop targeted recruitment strategies for individuals in priority populations. Appropriates \$1 million for the industry consortium program.

Establishes a grant program within the HECC, in consultation with the SWTDB, to employ a workforce benefits navigator to connect individuals to programs that provide training and career opportunities in construction, health care, and manufacturing and to increase access to services and benefits available under one-stop centers. Appropriates \$1 million for the benefits navigator program. Requires the HECC, SWTDB, and Youth Development Council to evaluate all programs created in the measure and submit a joint report on specified topics to the Governor and Legislative Assembly by December 31 of each year. Appropriates \$1,500,000 for the assessment and evaluation.

Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2018, the Governor launched the Future Ready Oregon initiative with the stated goal of closing gaps between the workforce in the state and the workforce needed to fuel the state's economy. The initiative entailed five steps: changing the way the state makes investments to make the investments more equitable; creating apprenticeships in technical fields such as information technology, healthcare, and manufacturing; turning wage earners into job creators in rural areas of the state; addressing the housing shortage for working families; and aligning job training with requirements for entry-level jobs in healthcare, in-home care, and community-based health. In 2020, the Governor tasked the Racial Justice Council with proposing ways to address racial, social, and economic inequities in the state. The Council's work resulted in the Future Ready Oregon 2022 proposal, which aims to assist with a shortage of trained workers in three specified economic sectors: construction, health care, and manufacturing.

The Oregon Employment Department (OED) reported 103,000 job vacancies in the private sector in the final quarter of 2021, of which employers report 76% are considered hard to fill. For every ten jobs open, the OED projects approximately seven workers are potentially available. The three sectors of construction, health care, and manufacturing account for over 10,000 job openings each.

Senate Bill 1545 creates a series of grant programs aimed at assisting those in priority populations, defined as communities of color, women, low-income communities, rural and frontier communities, veterans, and participants in offender reentry programs, to obtain jobs in three specified sectors of construction, health care, and manufacturing.