

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 1545 A

81st Oregon Legislative Assembly – 2022 Regular Session
Legislative Fiscal Office*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Establishes grant programs in Higher Education Coordinating Commission to provide funding for workforce development activities that aim to increase access for priority populations to training opportunities in construction, health care and manufacturing and to workforce development services and benefits.

Government Unit(s) Affected:

Community Colleges, Higher Education Coordinating Commission (HECC), Employment Department (OED), Bureau of Labor and Industries (BOLI), Department of Education (ODE), Public Universities, Department of Human Services (DHS), Oregon Health Authority (OHA)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:**Department of Education**

	2021-23 Biennium	2023-25 Biennium
General Fund	\$3,500,000	-
Other Funds	7,000,000	
Total Funds	\$10,500,000	\$0
Positions	1	
FTE	0.63	

Higher Education Coordinating Commission

	2021-23 Biennium	2023-25 Biennium
General Fund	\$52,385,390	\$11,000,000
Other Funds	115,000,000	
Total Funds	\$167,385,390	\$11,000,000
Positions	27	4
FTE	17.01	4.00

Bureau of Labor and Industries

	2021-23 Biennium	2023-25 Biennium
General Fund	\$18,900,000	
Other Funds	1,100,000	
Total Funds	\$20,000,000	\$0
Positions	9	
FTE	5.67	

Department of Human Services

	2021-23 Biennium	2023-25 Biennium
General Fund	\$1,950,296	
Other Funds*	\$159,358	
Federal Funds	202,761	
Total Funds	\$2,312,415	
Positions	16	
FTE	9.74	

Oregon Health Authority

	2021-23 Biennium	2023-25 Biennium
General Fund	\$164,314	
Total Funds	\$164,314	
Positions	1	
FTE	0.63	

Analysis: This measure expands and establishes programs within the Higher Education Coordinating Commission (HECC) for the purposes of workforce development and directs the Oregon Department of Education (ODE), Youth Development Division (YDD) to make grants to support youth workforce programs. YDD is responsible for reviewing the performance of the grants in collaboration with HECC and the State Workforce Talent Development Board. The measure directs the Bureau of Labor and Industries (BOLI) to establish and administer a grant program to provide financial support for the development, expansion and implementation of registered apprenticeship and pre-apprenticeship training programs in health care and manufacturing, and for the development and implementation of pre-apprenticeship training programs.

Oregon Department of Education

The measure appropriates \$3.5 million General Fund and \$7 million Other Funds from the American Rescue Plan Act (ARPA) to ODE to make grants to support youth workforce programs. ODE anticipates needing one limited duration Operations and Policy Analyst (0.63 FTE) to provide oversight of the grant program. In addition, ODE anticipates using the General Fund appropriation to establish the program and then using the ARPA funds to continue the grant program.

Bureau of Labor and Industries

The measure appropriates \$1.1 million ARPA funds and \$18.9 General Funds for the purposes of the measure. BOLI anticipates needing three permanent full-time Operations and Policy Analyst 4 (1.89 FTE) to focus on the development and management of the manufacturing, health care, and non-construction apprenticeship programs. One limited duration Operations and Policy Analyst 3 (0.63 FTE) to administer the competitive grant program. One limited duration Principal Executive Manager D (0.63 FTE) to direct the grant program, manage workload, budget management, program evaluation, and establish program objectives and goals. Two limited duration Project Analyst 3 positions (1.26 FTE) to serve as program administrators, implement new grant application criteria and award distribution process. One limited duration Fiscal Analyst 2 position (0.63 FTE) to manage General Fund and ARPA funds. One limited duration Operations and Policy Analyst 2 (0.63 FTE) to develop procedures and evaluations for program grantees and process and evaluate outcome data.

Higher Education Coordinating Commission

The measure appropriates \$52.4 million General Fund and \$115 million in ARPA funds to administer the programs outlined in this bill. HECC anticipates 27 positions (17.01 FTE) to carry out the provisions of the bill. In addition to program and policy analysts, HECC will also need additional human resource analysts, information systems specialists, procurement and contract specialists, accounting technicians, and fiscal analysts and research analysts to help the agency administer the new grant programs established by the bill. Assuming the continuation

of the Career Pathways and Industry Consortia programs, the fiscal impact for 2023-25 is estimated at \$11.1 million, 4 positions (4.00 FTE).

Department of Human Services

The measure directs the Department of Human Services (DHS) to incorporate the Prosperity 10,000 Program into the statewide plan for the SNAP Employment and Training Program; seek federal reimbursement for 50% of the program's eligible costs; and refer SNAP enrollees to the Prosperity 10,000 program for career coaching, occupational training, and job placement services, wraparound supports and services, paid work experiences, and targeted recruitment and engagement. DHS is also required to distribute funds to local workforce development boards, compile data from the workforce development boards, and submit an annual report to the Legislative Assembly related to workforce development no later than December 31 of each calendar year.

In 2021-23, DHS estimates a need for \$2.3 million total funds and 16 positions (9.74 FTE) to implement and manage the program. This includes one Operations and Policy Analyst 2 position; four Operations and Policy Analyst 3 positions; one full-time, limited duration Procurement and Contract Specialist 3 position; and, 10 full-time, limited-duration Human Services Case Manager positions to manage referrals and serve as a one-stop center to advise and assist individuals to access workforce programs and benefits.

Oregon Health Authority

The measure directs the Oregon Health Authority (OHA) for provide support for the Health Care Workforce Committee (HCWF). OHA will need one Operations and Policy Analyst 3 position (0.63 FTE) to provide policy and program expertise in support of the HCWF.

The Oregon Employment Department anticipates a minimal fiscal impact and any additional duties can be absorbed with existing resources.