

Date: February 3, 2022

To: Chair Taylor, Vice Chair Knopp, and Members of the Senate Committee on Labor and Business

From: Morgan Beltz, OBI

RE: OBI Testimony on SB 1545, Future Ready Oregon

Oregon Business & Industry (OBI) represents more than 1,600 members who employ more than 250,000 people in Oregon. Our members come from all sectors and from all parts of the state, and more than 80 percent of them are small businesses. The vitality of Oregon's private sector is critical to the quality of life of Oregonians. We work every day to help strengthen Oregon's economy in order to achieve a healthy, prosperous and competitive Oregon.

Right now, businesses in all sectors are struggling to find workers. When [I/we] ask our members what is top of mind for them, the first answer is nearly always some version of "I can't find enough employees." The Oregon Employment Department notes that, as of December, job vacancies in the state continue to outpace the number of unemployed Oregonians. And the directionality of those data points is only widening the gap.

Looking into the future, Oregon faces a massive shortage of workers who will have the required credentials (e.g., apprenticeships, degrees, or certificates) to meet the growing and evolving needs of its economy and the employers driving that economy.

OBI appreciates that Governor Brown has amplified this conversation through the Future Ready Oregon proposal, and we are generally supportive of the goals and concepts articulated in the plan. We believe that something is better than nothing.

However, we have some lingering questions and concerns that qualify our support.

- First, the bill is not complete. We have not yet seen the specific language tied to all the \$200 million in requested funding.
- Funding should be available directly to employers through public-private partnerships to spend on programs that are carefully crafted and meet the needs of those who are going to be hiring workers and who have the best, most direct sense of what is needed.
- Parameters should be put in place to ensure program management efficiencies in order to maximize effectiveness while protecting taxpayer interests.
- While we appreciate the focus on manufacturing, health care and construction, a broader set of consortia should be considered in order to more effectively address Oregon's diverse workforce needs.
- We want to better understand the accountability measures that will be put in place that will help all Oregonians understand whether the program has been successful. This is not about creating layers of bureaucratic compliance or reporting, but about establishing metrics that should drive expansion or modification to the program.

OBI stands ready to be a part of future conversations about the program and, if passed, its implementation.

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