

HOUSE AMENDMENTS TO HOUSE BILL 3306

By COMMITTEE ON BUSINESS AND LABOR

April 10

1 On page 1 of the printed bill, line 3, after the first comma delete the rest of the line and insert
2 “9 and 10, chapter 28, Oregon Laws 2022.”.

3 Delete lines 5 through 28.

4 Delete pages 2 through 7 and insert:

5 **“SECTION 1. Section 2 of this 2023 Act is added to and made a part of ORS 660.300 to**
6 **660.364.**

7 **“SECTION 2. (1) This section applies to an entity that provides paid work experience to**
8 **an individual participating in a workforce program that is funded in whole or in part by the**
9 **following sources:**

10 **“(a) State funds that are allocated to and made available for reallocation by local**
11 **workforce development boards to the entity for workforce programs.**

12 **“(b) Funds allotted to the state pursuant to the federal Workforce Innovation and Op-**
13 **portunity Act that are allocated to and available for reallocation by local workforce devel-**
14 **opment boards to the entity for workforce programs in accordance with the federal**
15 **Workforce Innovation and Opportunity Act.**

16 **“(2)(a) An entity described in subsection (1) of this section shall:**

17 **“(A) Notwithstanding ORS 653.025, pay wages to individuals participating in the program**
18 **at a rate that is:**

19 **“(i) Equivalent to an entry-level training wage as determined by the entity pursuant to**
20 **paragraph (b) of this subsection; and**

21 **“(ii) In alignment with the wage progression schedule established by the entity under**
22 **subparagraph (B) of this paragraph;**

23 **“(B) Establish a wage progression schedule that includes the step progression require-**
24 **ments and the rate calculation formula upon which the entity shall make determinations**
25 **about a participating individual’s eligibility to increase the individual’s wage rate from an**
26 **entry-level training wage to a wage rate that is equivalent to the average area wage standard**
27 **for an hour’s work in the same trade or occupation in the locality where the labor is per-**
28 **formed;**

29 **“(C) Develop a training plan for individuals participating in the program that includes,**
30 **at a minimum:**

31 **“(i) The entry-level training wage that will be paid to the individual;**

32 **“(ii) A statement that the individual shall be paid according to the wage progression**
33 **schedule established by the entity, along with a description of the requirements that the in-**
34 **dividual must meet in order to progress to a higher wage rate under the wage progression**
35 **schedule;**

1 “(iii) A statement that the entry-level training wage paid to the individual may not be
2 less than the federal minimum wage rate or the applicable state minimum wage rate,
3 whichever is greater; and

4 “(iv) A statement explaining that the entry-level training wage paid to the individual is
5 a minimum standard and that a higher wage rate shall be paid to the individual if so required
6 under other applicable federal or state laws, regulations or a collective bargaining agree-
7 ment; and

8 “(D) Provide each individual participating in the program with a copy of the training plan
9 described in subparagraph (C) of this paragraph on the date on which the individual first
10 begins participating in the program.

11 “(b) For purposes of paragraph (a)(A) of this subsection, the entry-level training wage
12 shall be a percentage amount of the average area wage standard for an hour’s work in the
13 same trade or occupation in the locality where the labor is performed, but in no event may
14 the entry-level training wage be less than the applicable state minimum wage rate under
15 ORS 653.025.

16 “(c) Each individual who performs work for an entity described in this section shall be
17 considered an employee of the entity for purposes of state wage and hour laws and state laws
18 prohibiting employment discrimination and retaliation.

19 “**SECTION 3.** Section 3, chapter 28, Oregon Laws 2022, is amended to read:

20 “**Sec. 3.** (1) The Prosperity 10,000 Program is established in the Higher Education Coordinating
21 Commission for the following purposes:

22 “(a) To provide career coaching, occupational training and job placement services;

23 “(b) To provide wraparound supports and services that are necessary to facilitate reengagement
24 in the workforce, including, but not limited to, transportation, child care and rental assistance;

25 “(c) To provide paid work experiences, including stipends and wages and other income supports
26 for individuals from priority populations; and

27 “(d) To support targeted recruitment and engagement efforts.

28 “(2) The goals of the Prosperity 10,000 Program are to:

29 “(a) Include at least 10,000 total individuals who participate in the program;

30 “(b) Improve the capacity and responsiveness of the public workforce system in this state by
31 providing assistance for workforce development program navigation, expanding access to
32 community-based career counseling and wraparound supports and services, and providing opportu-
33 nities to earn industry-recognized certificates, credentials and degrees through work-based learning
34 experiences;

35 “(c) Ensure that services and benefits available through workforce programs are provided to
36 individuals from priority populations;

37 “(d) Provide increased access for priority populations to services and benefits available through
38 workforce programs;

39 “(e) Ensure that at least 50 percent of the individuals who participate in the program are
40 women;

41 “(f) Ensure that at least 80 percent of the individuals who participate successfully complete the
42 program;

43 “(g) Ensure that at least 75 percent of the individuals who participate in the program success-
44 fully obtain employment; and

45 “(h) Ensure that at least 75 percent of the individuals who participate in the program earn at

1 least \$17 per hour.

2 “(3)(a) The Prosperity 10,000 Program shall be administered by local workforce development
3 boards. The local workforce development boards shall:

4 “(A) Distribute resources and available funds to nonprofit community-based organizations, edu-
5 cational institutions, labor organizations and other workforce service providers to facilitate the
6 provision of workforce development services and wraparound supports to individuals who participate
7 in the program;

8 “(B) Coordinate with state workforce agencies and other workforce partners to expand regional
9 community-based partnerships that work to support and sustain workforce development services and
10 wraparound supports; and

11 “(C) Connect with businesses and organizations in targeted industry sectors to identify training
12 needs and ensure that business needs relating to a skilled workforce are met.

13 “(b) An entity that collaborates with a local workforce development board to accomplish the
14 workforce development activities described under this subsection shall, in accordance with ORS
15 660.327, participate with local workforce development boards in developing a proposed local plan.

16 **“(4)(a) If an entity receives funds distributed from a local workforce development board
17 under this section and provides paid work experience to individuals who participate in the
18 program established under this section, the entity shall:**

19 **“(A) Notwithstanding ORS 653.025 and subsection (2)(h) of this section, pay wages to in-
20 dividuals participating in the program at a rate that is:**

21 **“(i) Equivalent to an entry-level training wage as determined by the entity pursuant to
22 paragraph (b) of this subsection; and**

23 **“(ii) In alignment with the wage progression schedule established by the entity under
24 subparagraph (B) of this paragraph;**

25 **“(B) Establish a wage progression schedule that includes the step progression require-
26 ments and the rate calculation formula upon which the entity shall make determinations
27 about a participating individual’s eligibility to increase the individual’s wage rate from an
28 entry-level training wage to a wage rate that is equivalent to the average area wage standard
29 for an hour’s work in the same trade or occupation in the locality where the labor is per-
30 formed;**

31 **“(C) Develop a training plan for individuals participating in the program that includes,
32 at a minimum:**

33 **“(i) The entry-level training wage that will be paid to the individual;**

34 **“(ii) A statement that the individual shall be paid according to the wage progression
35 schedule established by the entity, along with a description of the requirements that the in-
36 dividual must meet in order to progress to a higher wage rate under the wage progression
37 schedule;**

38 **“(iii) A statement that the entry-level training wage paid to the individual may not be
39 less than the federal minimum wage rate or the applicable state minimum wage rate,
40 whichever is greater; and**

41 **“(iv) A statement explaining that the entry-level training wage paid to the individual is
42 a minimum standard and that a higher wage rate shall be paid to the individual if so required
43 under other applicable federal or state laws, regulations or a collective bargaining agree-
44 ment; and**

45 **“(D) Provide each individual participating in the program with a copy of the training plan**

1 described in subparagraph (C) of this paragraph on the date on which the individual first
2 begins participating in the program.

3 “(b) For purposes of paragraph (a)(A) of this subsection, the entry-level training wage
4 shall be a percentage amount of the average area wage standard for an hour’s work in the
5 same trade or occupation in the locality where the labor is performed, but in no event may
6 the entry-level training wage be less than the applicable state minimum wage rate under
7 ORS 653.025.

8 “(c) Each individual who performs work for an entity described in this subsection shall
9 be considered an employee of the entity for purposes of state wage and hour laws and state
10 laws prohibiting employment discrimination and retaliation.

11 “[~~(4)(a)~~] (5)(a) As used in this subsection, ‘SNAP Employment and Training Program’ means the
12 employment and training component of the federal Supplemental Nutrition Assistance Program un-
13 der 7 U.S.C. 2015(d)(4).

14 “(b) To the extent possible, the Department of Human Services shall:

15 “(A) Incorporate the Prosperity 10,000 Program into the statewide plan for the SNAP Employ-
16 ment and Training Program;

17 “(B) Seek federal reimbursement for 50 percent of the Prosperity 10,000 Program’s costs and for
18 other eligible activities as reported by the local workforce development boards;

19 “(C) Refer individuals who receive supplemental nutrition assistance under ORS 411.806 to
20 411.845 to participate in the Prosperity 10,000 Program; and

21 “(D) Distribute moneys received as reimbursement under subparagraph (B) of this paragraph to
22 local workforce development boards, not later than 60 days after the department receives an invoice
23 that is consistent with requirements under the SNAP Employment and Training Program, for rein-
24 vestment in workforce development and wraparound supports and services provided under the
25 Prosperity 10,000 Program.

26 “[~~(5)~~] (6) The State Workforce and Talent Development Board, in consultation with the Com-
27 mittee for Continuous Improvement, shall:

28 “(a) Oversee the progress of the Prosperity 10,000 Program;

29 “(b) Ensure that program goals are met; and

30 “(c) Identify areas for program improvement.

31 “**SECTION 4.** Section 9, chapter 28, Oregon Laws 2022, is amended to read:

32 “**Sec. 9.** (1) As used in this section:

33 “(a) ‘Community-based organization’ has the meaning given that term in section 4, **chapter 28,**
34 **Oregon Laws 2022** [of this 2022 Act].

35 “(b) ‘Community college’ has the meaning given that term in ORS 341.005.

36 “(c) ‘Workforce service provider’ includes:

37 “(A) Nonprofit and public workforce education, training and career services providers.

38 “(B) Governmental entities that are providers of workforce development services.

39 “(2) There is established in the Higher Education Coordinating Commission a program to award
40 grants to workforce service providers and community-based organizations that administer workforce
41 programs in the health care, manufacturing and technology industry sectors and that prioritize eq-
42 uitable program participation by individuals from priority populations.

43 “(3) The commission shall establish criteria and standards by which a workforce service pro-
44 vider or a community-based organization may submit a proposal to receive a grant under this sec-
45 tion. In establishing criteria and standards, the commission shall consider federal nondiscrimination

1 and equal opportunity provisions of the Workforce Innovation and Opportunity Act. The commission
2 shall award grants on a competitive basis, taking into consideration proposals that:

3 “(a) Describe how the workforce service provider or the community-based organization intends
4 to engage with employers in the targeted industry sectors to provide workforce development op-
5 portunities to individuals from priority populations.

6 “(b) Demonstrate the workforce service provider’s or the community-based organization’s expe-
7 rience serving individuals from priority populations.

8 “(c) Describe how the workforce service provider or the community-based organization intends
9 to collaborate with one or more of the following entities to increase accessibility for priority popu-
10 lations to workforce programs and opportunities:

11 “(A) Other workforce service providers or community-based organizations;

12 “(B) Kindergarten through grade 12 schools;

13 “(C) Community colleges;

14 “(D) Education and training partners;

15 “(E) Local workforce development boards;

16 “(F) Economic development organizations;

17 “(G) Industry associations; and

18 “(H) Universities, as defined in section 8, **chapter 28, Oregon Laws 2022** [of this 2022 Act].

19 “(d) Demonstrate that a workforce partner with which a workforce service provider or a
20 community-based organization intends to partner possesses specific qualifications, including the or-
21 ganizational and technical capacity, necessary to carry out the purposes described under subsection
22 (5)(a) to (d) of this section.

23 “(e) Prioritize opportunities to leverage the use of other funding sources, including federal funds
24 and private sector contributions, toward workforce programs and opportunities.

25 “(4) In awarding grants under this section, the commission shall consult with the State
26 Workforce and Talent Development Board and shall incorporate input from local workforce devel-
27 opment boards and industry consortia convened under section 10, **chapter 28, Oregon Laws 2022**
28 [of this 2022 Act].

29 “(5) Grant moneys awarded under this section shall be expended for one or more of the following
30 purposes:

31 “(a) To provide paid work experience, including stipends and wages;

32 “(b) To offer tuition and fee assistance for workforce programs;

33 “(c) To provide wraparound workforce development services;

34 “(d) To develop culturally and linguistically specific career pathways for obtaining certificates,
35 credentials or degrees recognized by targeted industry sectors; and

36 “(e) To fund organizational investments, including, but not limited to:

37 “(A) Hiring staff;

38 “(B) Developing organizational development strategies;

39 “(C) Purchasing equipment, technology or other training-related supplies;

40 “(D) Covering administrative costs; and

41 “(E) Any other activities identified in a grant proposal as necessary to administer workforce
42 programs described under this section.

43 “(6)(a) **If a grant recipient expends moneys to provide paid work experience to individuals**
44 **participating in a workforce program administered by the grant recipient, the grant recipient**
45 **shall:**

1 “(A) Notwithstanding ORS 653.025, pay wages to individuals participating in the program
2 at a rate that is:

3 “(i) Equivalent to an entry-level training wage as determined by the grant recipient
4 pursuant to paragraph (b) of this subsection; and

5 “(ii) In alignment with the wage progression schedule established by the grant recipient
6 under subparagraph (B) of this paragraph;

7 “(B) Establish a wage progression schedule that includes the step progression require-
8 ments and the rate calculation formula upon which the grant recipient shall make determi-
9 nations about a participating individual’s eligibility to increase the individual’s wage rate
10 from an entry-level training wage to a wage rate that is equivalent to the average area wage
11 standard for an hour’s work in the same trade or occupation in the locality where the labor
12 is performed;

13 “(C) Develop a training plan for individuals participating in the program that includes,
14 at a minimum:

15 “(i) The entry-level training wage that will be paid to the individual;

16 “(ii) A statement that the individual shall be paid according to the wage progression
17 schedule established by the grant recipient entity, along with a description of the require-
18 ments that the individual must meet in order to progress to a higher wage rate under the
19 wage progression schedule;

20 “(iii) A statement that the entry-level training wage paid to the individual may not be
21 less than the federal minimum wage rate or the applicable state minimum wage rate,
22 whichever is greater; and

23 “(iv) A statement explaining that the entry-level training wage paid to the individual is
24 a minimum standard and that a higher wage rate shall be paid to the individual if so required
25 under other applicable federal or state laws, regulations or a collective bargaining agree-
26 ment; and

27 “(D) Provide each individual participating in the program with a copy of the training plan
28 described in subparagraph (C) of this paragraph on the date on which the individual first
29 begins participating in the program.

30 “(b) For purposes of paragraph (a)(A) of this subsection, the entry-level training wage
31 shall be a percentage amount of the average area wage standard for an hour’s work in the
32 same trade or occupation in the locality where the labor is performed, but in no event may
33 the entry-level training wage be less than the applicable state minimum wage rate under
34 ORS 653.025.

35 “(c) An individual who performs work for grant recipient described in this subsection
36 shall be considered an employee of the grant recipient for purposes of state wage and hour
37 laws and state laws prohibiting employment discrimination and retaliation.

38 “[(6)] (7) The commission shall compile information from each recipient of a grant under this
39 section regarding the status and use of grant funds to ensure funding is expended for permissible
40 purposes. At a minimum, the information must include, where applicable:

41 “(a) The number of individuals who have registered for or completed a workforce program in
42 health care, manufacturing or technology;

43 “(b) The number of workforce programs developed and administered by a workforce service
44 provider or a community-based organization;

45 “(c) The job placement rate for and income earnings by individuals participating in a workforce

1 program described under this section;

2 “(d) The number of individuals from priority populations who receive services or benefits from
3 workforce programs administered by a workforce service provider or a community-based organiza-
4 tion; and

5 “(e) A description of the types and amount of wraparound workforce development services pro-
6 vided by a workforce service provider or a community-based organization.

7 “[7] (8) The commission may adopt any rules necessary for carrying out the provisions of this
8 section.

9 “**SECTION 5.** Section 10, chapter 28, Oregon Laws 2022, is amended to read:

10 “**Sec. 10.** (1) As used in this section, ‘community-based organization’ has the meaning given that
11 term in section 4, **chapter 28, Oregon Laws 2022** [of this 2022 Act].

12 “(2)(a) The Higher Education Coordinating Commission, in consultation with the State
13 Workforce and Talent Development Board, shall establish a program to convene statewide industry
14 consortia that represent the health care, manufacturing and technology industry sectors. Each in-
15 dividual consortium established under this section shall represent a single targeted industry sector.

16 “(b) The purpose of the program is to:

17 “(A) Establish strategic partnerships to align workforce development activities that aim to in-
18 crease participation in workforce programs by individuals from priority populations;

19 “(B) Develop structured processes to address mutual goals and promote consensus in decision-
20 making;

21 “(C) Identify industry-specific workforce needs in this state, including the need for high-value
22 credentials, to inform the development and implementation of culturally and linguistically diverse
23 workforce education and training curricula;

24 “(D) Develop targeted recruitment strategies to increase equitable participation by individuals
25 from priority populations in statewide workforce programs; [and]

26 “(E) Promote workforce development programs and activities in the targeted industry
27 sectors[.]; **and**

28 “**(F) Establish wage rate standards, varied by locality, for each skilled occupation within**
29 **each of the sectors specified in paragraph (a) of this subsection.**

30 “**(3) Once every two years, each industry consortium established under this section shall:**

31 “**(a) Recalculate the wage rate standards described in subsection (2)(b)(F) of this section**
32 **using relevant economic and employment data made available by the Employment Depart-**
33 **ment. If there is no such data available, the consortium shall recalculate the wage rate**
34 **standards using relevant economic and employment data made available from other re-**
35 **sources, as identified by the commission by rule.**

36 “**(b) Submit a statement to the commission summarizing the methodology used to recal-**
37 **culate the wage rate standards and the date on which the new wage rate standards shall take**
38 **effect.**

39 “[3](a)] (4)(a) An industry consortium established under this section shall operate under the
40 direction of a leadership team composed of the following representatives from the consortium’s tar-
41 geted industry sector:

42 “(A) A representative who is a business leader.

43 “(B) A representative of a community-based organization that administers one or more
44 workforce programs.

45 “(C) One or more representatives of workforce education and training providers.

1 “(D) A representative of a labor organization.

2 “(b) To the extent practicable, members of the leadership team shall include individuals who are
3 representative of priority populations.

4 “(c) The membership of an industry consortium established under this section must include, in
5 addition to the members of the leadership team, the following:

6 “(A) One or more representatives from the State Workforce and Talent Development Board.

7 “(B) One or more representatives of the Racial Justice Council within the Office of the Gover-
8 nor.

9 “(C) One or more representatives of employers.

10 “(D) One or more representatives of an industry association.

11 “(E) One or more representatives of labor organizations.

12 “(F) One or more representatives of local workforce development boards.

13 “(G) One or more representatives of economic developers.

14 “[(4)] (5) The State Workforce and Talent Development Board, or any other neutral entity des-
15 igned by the board, shall serve as the intermediary between the industry consortia members.

16 “[(5)] (6) The commission may adopt any rules necessary to carry out the provisions of this
17 section.

18 “**SECTION 6. Section 2 of this 2023 Act and the amendments to sections 3 and 9, chapter**
19 **28, Oregon Laws 2022, by sections 3 and 4 of this 2023 Act apply to entities that receive funds**
20 **on or after the effective date of this 2023 Act.”.**

21
