# HB 3669 -1, -2 STAFF MEASURE SUMMARY

## House Committee On Higher Education and Workforce Development

Prepared By:Ellen O'Brien, LPRO AnalystSub-Referral To:Joint Committee On Ways and MeansMeeting Dates:3/6, 4/3, 4/8

## WHAT THE MEASURE DOES:

The measure modifies the purposes and goals of the Prosperity 10,000 Program to include career advancement for incumbent workers in certain industries. The measure allows funds to be distributed directly to employers. It extends the Prosperity 10,000 Program by permitting the Higher Education Coordinating Commission to distribute any additional funds appropriated to the program by the Legislative Assembly.

**Detailed Summary** 

- Modifies the purposes of the Prosperity 10,000 Program to include career advancement for incumbent workers in high-growth industries, as determined by state and local workforce development boards.
- Sets a goal of increasing earnings for participating incumbent workers to \$23 per hour or an unspecified percent increase in earnings, whichever is greater.
- Allows local workforce development boards to distribute available funds to employers, in addition to nonprofit community-based organizations, educational institutions, labor organizations, and other workforce service providers.
- Extends the Prosperity 10,000 Program by permitting the Higher Education Coordinating Commission to
  distribute any additional funds appropriated to the program by the Legislative Assembly beyond the initial
  appropriation in <u>Senate Bill 1545 (2022)</u>.

## **ISSUES DISCUSSED:**

- Funding request
- Outcomes of Prosperity 10,000
- \$35 million in initial funding in 2022
- Minimum wage goal
- Priority populations

## **EFFECT OF AMENDMENT:**

-1 The amendment replaces the measure. It extends the Prosperity 10,000 Program by permitting the Higher Education Coordinating Commission to continue distributing any additional funds appropriated to the program by the Legislative Assembly. It modifies elements of the program.

#### Detailed Summary

- Removes goal from Prosperity 10,000 to include at least 10,000 individuals.
- Requires local boards to align their administration of the program with critical workforce shortages and strategic workforce opportunities.
- Requires local boards to consider funding proposals that align with targeted industry sectors, serve individuals from priority populations, include collaboration with industry and education partners, and prioritize the use of federal and private funds.
- Removes language requiring HECC to distribute funds appropriated under Senate Bill 1545 (2022) within 60 days of March 17, 2022, and instead requires HECC to distribute funds appropriated for the Prosperity 10,000 Program to local workforce development boards.

-2 The amendment removes certain groups from priority populations under Future Ready Oregon, including communties of color, women, rural and frontier communities, persons with disabilities, incarcerated and formerly incarcerated individuals, members of Oregon's nine federally recognized Indian tribes, individuals who experience age discrimination, and members of the LGBTQ+ community.

#### BACKGROUND:

In 2022, the Legislative Assembly enacted a \$200 million package of workforce development investments known as Future Ready Oregon in <u>Senate Bill 1545 (2022)</u>. Of that investment, \$35 million was directed toward local workforce development boards under a program known as Prosperity 10,000.

Local workforce development boards are a system of business-led boards in all fifty states that are funded by the federal Workforce Innovation and Opportunity Act (WIOA). In Oregon, there are nine local workforce areas, as well as a statewide Workforce & Talent Development Board, which is tasked with advising the Governor on workforce matters and developing a strategic plan for workforce development. The Higher Education Coordinating Commission (HECC) is responsible for administering both Future Ready Oregon and WIOA programs in Oregon.

During the 2023-2024 biennium, the House Committee on Higher Education received updates on Future Ready Oregon, including Prosperity 10,000, on January 31, 2023, and on Prosperity 10,000 on January 11, 2024. On December 12, 2024, the House Interim Committee on Higher Education heard a presentation about Prosperity 10,000 in preparation for the proposed investments in House Bill 3669.

The -1 amendments to House Bill 3669 include language similar to Sections 6 and 7 of House Bill 3029.