

House Bill 2708

Sponsored by Representative EVANS (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would make new laws for workforce development. The Act would transfer workforce development duties from HECC to BOLI. The Act would make a new workforce development program and office at BOLI. (Flesch Readability Score: 64.9).

Transfers duties, functions and powers related to administering the federal Workforce Innovation and Opportunity Act and workforce development matters from the Higher Education Coordinating Commission to the Bureau of Labor and Industries.

Establishes the Office of Workforce Development within the Bureau of Labor and Industries. Establishes the Office of Workforce Development Account. Creates the Oregon Workforce Corps to provide workforce development and employment opportunities.

Renames the Office of Community Colleges and Workforce Development to the Office of Community Colleges. Renames the Office of Community Colleges and Workforce Development Account to the Office of Community Colleges Account.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to workforce development; creating new provisions; amending ORS 285A.516, 285A.519, 285A.522, 294.393, 294.456, 341.005, 341.019, 341.021, 341.039, 341.102, 341.105, 341.440, 341.446, 341.455, 341.487, 341.526, 341.551, 341.626, 341.655, 341.665, 341.670, 344.070, 344.080, 344.090, 344.125, 350.095, 350.150, 350.155, 350.160, 350.170, 350.175, 350.432, 353.606, 408.506, 413.600, 417.799, 418.653, 418.657, 418.658, 418.660, 421.084, 476.696, 476.698, 576.871, 660.318, 660.320, 660.324, 660.339, 660.340, 660.341, 660.343, 660.346, 660.348, 660.349, 660.352, 660.353, 660.354, 660.380, 660.385, 660.400, 660.405, 660.410, 660.415 and 660.420; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

OFFICE OF WORKFORCE DEVELOPMENT

SECTION 1. (1) The Office of Workforce Development is established within the Bureau of Labor and Industries. The office shall function under the direction and control of the bureau, with the Director of the Office of Workforce Development serving as an administrative officer for workforce development matters.

(2) Except as provided in subsection (3) of this section, the bureau may adopt any rules necessary for the effective and efficient administration of the office or for the administration of laws that the office is charged with administering.

(3) The bureau, in consultation with the State Workforce and Talent Development Board, workforce partners and the Education and Workforce Policy Advisor and pursuant to ORS chapter 183, may adopt any rules necessary for the administration of laws related to the federal Workforce Innovation and Opportunity Act that the bureau is charged with administering.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (4) The bureau is authorized to request, as part of the funding request relating to duties
2 authorized under ORS 660.300 to 660.420, appropriations for budgetary items, including but
3 not limited to workforce development and coordination of the state workforce development
4 system.

5 **SECTION 2.** (1) The Office of Workforce Development Account is established in the State
6 Treasury, separate and distinct from the General Fund. Except for moneys otherwise desig-
7 nated by statute, all fees, assessments and other moneys received by the Office of Workforce
8 Development shall be deposited into the State Treasury and credited to the account. All
9 moneys in the account are continuously appropriated to the Bureau of Labor and Industries
10 for purposes authorized by law.

11 (2) The office may accept gifts, grants and donations from any source to carry out the
12 duties imposed upon the office. Moneys received under this subsection shall be paid into the
13 account.

14 (3) The office shall keep a record of all moneys deposited into the account. The record
15 shall indicate by separate cumulative subaccounts the sources from which the moneys are
16 derived and the individual activity or program against which each withdrawal is charged.

17 (4) Disbursements from the account shall be made as directed by the bureau.

18 **SECTION 3.** (1) The Commissioner of the Bureau of Labor and Industries shall appoint
19 a Director of the Office of Workforce Development who shall serve at the pleasure of the
20 commissioner.

21 (2) The director shall:

22 (a) Be the executive head of the Office of Workforce Development.

23 (b) Direct and supervise all activities of the office.

24 (c) Hire staff, as authorized by the commissioner, to assist in carrying out the duties of
25 the office. The staff shall be considered employees of the office for purposes of ORS chapters
26 240 and 243.

27 (d) Be responsible directly to the commissioner.

28 (3) The commissioner shall be responsible for submitting budget requests for the office
29 to the Legislative Assembly. The Bureau of Labor and Industries shall ensure that the
30 budget request for the office is separate and distinct from the bureau's other requests to the
31 Legislative Assembly.

32
33 **TRANSFER**
34

35 **SECTION 4.** (1) The duties, functions and powers of the Higher Education Coordinating
36 Commission that pertain to the administration of the federal Workforce Innovation and Op-
37 portunity Act and related workforce development matters are imposed upon, transferred to
38 and vested in the Bureau of Labor and Industries.

39 (2) The duties, functions and powers of the Office of Community Colleges and Workforce
40 Development that pertain to the administration of the federal Workforce Innovation and
41 Opportunity Act and related workforce development matters are imposed upon, transferred
42 to and vested in the Office of Workforce Development.

43 **SECTION 5.** (1)(a) The executive director of the Higher Education Coordinating Com-
44 mission shall:

45 (A) Deliver to the Bureau of Labor and Industries all records and property within the

1 jurisdiction of the executive director that relate to the duties, functions and powers trans-
 2 ferred by section 4 of this 2025 Act; and

3 (B) Transfer to the Bureau of Labor and Industries those employees engaged primarily
 4 in the exercise of the duties, functions and powers transferred by section 4 of this 2025 Act.

5 (b) The Commissioner of the Bureau of Labor and Industries shall take possession of the
 6 records and property, and shall take charge of the employees and employ them in the exer-
 7 cise of the duties, functions and powers transferred by section 4 of this 2025 Act, without
 8 reduction of compensation but subject to change or termination of employment or compen-
 9 sation as provided by law.

10 (c) The Governor shall resolve any dispute between the Higher Education Coordinating
 11 Commission and the Bureau of Labor and Industries relating to transfers of records, prop-
 12 erty and employees under this section, and the Governor’s decision is final.

13 (2)(a) The Director of the Office of Community Colleges and Workforce Development
 14 shall:

15 (A) Deliver to the Office of Workforce Development all records and property within the
 16 jurisdiction of the director that relate to the duties, functions and powers transferred by
 17 section 4 of this 2025 Act; and

18 (B) Transfer to the Office of Workforce Development those employees engaged primarily
 19 in the exercise of the duties, functions and powers transferred by section 4 of this 2025 Act.

20 (b) The Director of the Office of Workforce Development shall take possession of the
 21 records and property, and shall take charge of the employees and employ them in the exer-
 22 cise of the duties, functions and powers transferred by section 4 of this 2025 Act, without
 23 reduction of compensation but subject to change or termination of employment or compen-
 24 sation as provided by law.

25 (c) The Governor shall resolve any dispute between the Office of Community Colleges and
 26 Workforce Development and the Office of Workforce Development relating to transfers of
 27 records, property and employees under this section, and the Governor’s decision is final.

28 **SECTION 6.** (1)(a) The unexpended balances of amounts authorized to be expended by the
 29 Higher Education Coordinating Commission for the biennium beginning July 1, 2025, from
 30 revenues dedicated, continuously appropriated, appropriated or otherwise made available for
 31 the purpose of administering and enforcing the duties, functions and powers transferred by
 32 section 4 of this 2025 Act are transferred to and are available for expenditure by the Bureau
 33 of Labor and Industries for the biennium beginning July 1, 2025, for the purpose of adminis-
 34 tering and enforcing the duties, functions and powers transferred by section 4 of this 2025
 35 Act.

36 (b) The expenditure classifications, if any, established by Acts authorizing or limiting
 37 expenditures by the Higher Education Coordinating Commission remain applicable to expen-
 38 ditures by the Bureau of Labor and Industries under this section.

39 (2)(a) The unexpended balances of amounts authorized to be expended by the Office of
 40 Community Colleges and Workforce Development for the biennium beginning July 1, 2025,
 41 from revenues dedicated, continuously appropriated, appropriated or otherwise made avail-
 42 able for the purpose of administering and enforcing the duties, functions and powers trans-
 43 ferred by section 4 of this 2025 Act are transferred to and are available for expenditure by
 44 the Office of Workforce Development for the biennium beginning July 1, 2025, for the purpose
 45 of administering and enforcing the duties, functions and powers transferred by section 4 of

1 this 2025 Act.

2 (b) The expenditure classifications, if any, established by Acts authorizing or limiting
 3 expenditures by the Office of Community Colleges and Workforce Development that relate
 4 to the duties, functions and powers transferred by section 4 of this 2025 Act remain appli-
 5 cable to expenditures by the Office of Workforce Development under this section.

6 **SECTION 7.** (1) The transfer of duties, functions and powers to the Bureau of Labor and
 7 Industries by section 4 of this 2025 Act does not affect any action, proceeding or prosecution
 8 involving or with respect to the duties, functions and powers begun before and pending at
 9 the time of the transfer, except that the Bureau of Labor and Industries is substituted for
 10 the Higher Education Coordinating Commission in the action, proceeding or prosecution.

11 (2) The transfer of duties, functions and powers to the Office of Workforce Development
 12 by section 4 of this 2025 Act does not affect any action, proceeding or prosecution involving
 13 or with respect to the duties, functions and powers begun before and pending at the time of
 14 the transfer, except that the Office of Workforce Development is substituted for the Office
 15 of Community Colleges and Workforce Development in the action, proceeding or prosecution.

16 **SECTION 8.** (1) Nothing in sections 4 to 6 of this 2025 Act relieves a person of a liability,
 17 duty or obligation accruing under or with respect to the duties, functions and powers
 18 transferred by section 4 of this 2025 Act. The Bureau of Labor and Industries or the Office
 19 of Workforce Development may undertake the collection or enforcement of any such liabil-
 20 ity, duty or obligation.

21 (2) The rights and obligations of the Higher Education Coordinating Commission legally
 22 incurred under contracts, leases and business transactions executed, entered into or begun
 23 before the operative date specified in section 82 of this 2025 Act accruing under or with re-
 24 spect to the duties, functions and powers transferred by section 4 of this 2025 Act are
 25 transferred to the Bureau of Labor and Industries. For the purpose of succession to these
 26 rights and obligations, the Bureau of Labor and Industries is a continuation of the Higher
 27 Education Coordinating Commission and not a new authority.

28 (3) The rights and obligations of the Office of Community Colleges and Workforce De-
 29 velopment legally incurred under contracts, leases and business transactions executed, en-
 30 tered into or begun before the operative date specified in section 82 of this 2025 Act accruing
 31 under or with respect to the duties, functions and powers transferred by section 4 of this
 32 2025 Act are transferred to the Office of Workforce Development. For the purpose of suc-
 33 cession to these rights and obligations, the Office of Workforce Development is a continua-
 34 tion of the Office of Community Colleges and Workforce Development and not a new
 35 authority.

36 **SECTION 9.** Notwithstanding the transfer of duties, functions and powers by section 4
 37 of this 2025 Act, the rules of the Higher Education Coordinating Commission with respect to
 38 such duties, functions or powers that are in effect on the operative date specified in section
 39 82 of this 2025 Act continue in effect until superseded or repealed by rules of the Bureau of
 40 Labor and Industries. References in such rules of the Higher Education Coordinating Com-
 41 mission to the Higher Education Coordinating Commission or an officer or employee of the
 42 Higher Education Coordinating Commission are considered to be references to the Bureau
 43 of Labor and Industries or an officer or employee of the Bureau of Labor and Industries.

44 **SECTION 10.** (1) Whenever, in any uncodified law or resolution of the Legislative As-
 45 sembly or in any rule, document, record or proceeding authorized by the Legislative Assem-

bly, in the context of the duties, functions and powers transferred by section 4 of this 2025 Act, reference is made to the Higher Education Coordinating Commission, or an officer or employee of the Higher Education Coordinating Commission, whose duties, functions or powers are transferred by section 4 of this 2025 Act, the reference is considered to be a reference to the Bureau of Labor and Industries or an officer or employee of the Bureau of Labor and Industries who by this 2025 Act is charged with carrying out the duties, functions and powers.

(2) Whenever, in any uncodified law or resolution of the Legislative Assembly or in any rule, document, record or proceeding authorized by the Legislative Assembly, in the context of the duties, functions and powers transferred by section 4 of this 2025 Act, reference is made to the Office of Community Colleges and Workforce Development, or an officer or employee of the Office of Community Colleges and Workforce Development, whose duties, functions or powers are transferred by section 4 of this 2025 Act, the reference is considered to be a reference to the Office of Workforce Development or an officer or employee of the Office of Workforce Development who by this 2025 Act is charged with carrying out the duties, functions and powers.

CONFORMING AMENDMENTS

SECTION 11. ORS 285A.516 is amended to read:

285A.516. The [*Higher Education Coordinating Commission*] **Office of Workforce Development** is the state agency that shall be notified when an employer is required to provide written notice of a plant closing or mass layoff under section 3 of the Worker Adjustment and Retraining Notification Act (P.L. 100-379).

SECTION 12. ORS 285A.519 is amended to read:

285A.519. (1) The [*Higher Education Coordinating Commission*] **Office of Workforce Development** shall notify employers subject to the Worker Adjustment and Retraining Notification Act (P.L. 100-379) that the [*commission*] **office** is the state agency that must be notified when the employers are required to provide notice of a plant closing or mass layoff under the Worker Adjustment and Retraining Notification Act (P.L. 100-379).

(2) When notifying employers as provided in subsection (1) of this section, the [*commission*] **office** shall provide employers with a statement of the programs, projects, expenditures and other forms of assistance the [*commission*] **office** and other state agencies can provide to communities, employers and workers affected by a plant closing or mass layoff.

SECTION 13. ORS 285A.522 is amended to read:

285A.522. (1) The [*Higher Education Coordinating Commission*] **Office of Workforce Development** shall prepare an annual report concerning plant closings and mass layoffs in this state. The report shall describe in detail each plant closing or mass layoff during the period covered by the report and the assistance and services provided to the affected employers, workers and communities. The report shall also contain the most recent information available relating to the current status of the employer, workers and community affected by each plant closing or mass layoff.

(2) The report prepared under this section shall be presented to the Governor, the President of the Senate, the Speaker of the House of Representatives and appropriate legislative committees.

SECTION 14. ORS 576.871 is amended to read:

576.871. (1) The report submitted by the Oregon Wine Board under ORS 182.472 must include a

1 description of the long term strategic plan created by the board and a description of the progress
 2 made in implementing the statewide strategic objectives of the board during the most recent
 3 biennium.

4 (2) Notwithstanding ORS 182.462:

5 (a) The board shall prepare and submit annual plans and a budget recommended by the board
 6 for promotion and for research during the next fiscal year.

7 (b) The board shall adopt rules specifying the procedures, criteria and timelines for the prepa-
 8 ration and approval of the annual plans and budget for promotion and for research.

9 (c) The Director of the Oregon Business Development Department shall review the budget and
 10 plans submitted under this section. In reviewing the annual plans and budget, the director shall
 11 consider whether the information supplied by the board is factual and consistent with ORS 576.850
 12 to 576.877 and the positive development of the Oregon wine grape growing and wine making indus-
 13 tries. The director shall either approve the budget and plans prior to the commencement of the next
 14 fiscal year or disapprove and return the budget and plans to the board with conditions necessary
 15 for approval prior to the commencement of the next fiscal year. In reviewing the budget and plans,
 16 the director may consult with and receive coordinated support from:

17 (A) The State Department of Agriculture;

18 (B) The Oregon Tourism Commission;

19 (C) Oregon State University;

20 **(D) The Office of Workforce Development;**

21 [~~D~~] **(E)** The Office of Community Colleges [*and Workforce Development*]; and

22 [~~E~~] **(F)** The Oregon Liquor and Cannabis Commission.

23 **SECTION 15.** ORS 660.318 is amended to read:

24 660.318. (1) To implement and oversee state implementation of the federal Workforce Innovation
 25 and Opportunity Act, the [*Higher Education Coordinating Commission*] **Bureau of Labor and In-**
 26 **dustries** may:

27 (a) Receive federal youth activities funds allotted to this state by the Secretary of Labor pur-
 28 suant to the federal Workforce Innovation and Opportunity Act and allocate those funds that are
 29 not reserved according to an allocation formula recommended by the State Workforce and Talent
 30 Development Board and approved by the Governor.

31 (b) Receive federal adult employment and training activities funds allotted to this state by the
 32 Secretary of Labor pursuant to the federal Workforce Innovation and Opportunity Act and allocate
 33 those funds that are not reserved according to an allocation formula recommended by the State
 34 Workforce and Talent Development Board and approved by the Governor.

35 (c) Receive federal dislocated worker funds allotted to this state by the Secretary of Labor
 36 pursuant to the federal Workforce Innovation and Opportunity Act and allocate those funds that are
 37 not reserved according to an allocation formula recommended by the State Workforce and Talent
 38 Development Board and approved by the Governor.

39 (d) Establish a procedure for use by local workforce development boards to identify eligible
 40 providers of training services according to section 3174 of the federal Act and to maintain the list
 41 of providers identified as eligible by the boards in all local workforce development areas in this
 42 state.

43 (e) Receive the comprehensive strategic plan developed and implemented by each local
 44 workforce development board and review the plan, with input from representatives of state and local
 45 workforce programs, to determine if the plan meets the requirements of section 3123 of the federal

1 Act and state policy.

2 (f) Approve the plans, after review by the State Workforce and Talent Development Board, that
 3 are found to meet the requirements of the federal Workforce Innovation and Opportunity Act and
 4 review and approve any amendments to the plans.

5 (g) Carry out the required and allowable activities described in section 3174 of the federal Act
 6 with the advice of the Education and Workforce Policy Advisor.

7 (h) Pursuant to ORS 660.339, establish procedures to maintain the confidentiality of the names
 8 and records of participants in workforce programs for which the [commission] bureau is responsible,
 9 including circumstances under which the names and records may be disclosed.

10 (i) Establish a method to set performance standards for the Secretary of Labor as required under
 11 section 3141 of the federal Act.

12 (j) Perform planning functions related to programs and performance reporting under the federal
 13 Workforce Innovation and Opportunity Act.

14 (2)(a) Subject to the availability of funds from the federal Workforce Innovation and Opportunity
 15 Act, the [commission] bureau shall create and operate a summer youth employment program that
 16 reestablishes meaningful summer work experience for persons between the ages of 14 and 24 and
 17 that meets the requirements for funding under the federal Act.

18 (b) Programs funded under this subsection:

19 (A) Must include representatives of the business community in the planning, implementation and
 20 evaluation of the program.

21 (B) May provide for private and public sector employment opportunities.

22 (C) Shall be managed by local workforce development boards in a manner that coordinates re-
 23 gional state-sponsored youth work experience programs.

24 (c) Local workforce development boards responsible for managing programs created under this
 25 subsection shall provide training for business, labor and education leaders in use of best practices
 26 that ensure positive summer work experiences for participants.

27 (3) The [commission] bureau shall collaborate with the State Workforce and Talent Development
 28 Board and local workforce development boards to collect data on summer work experience programs
 29 that identify successful summer work experiences and allow for the identification and dissemination
 30 of promising practices.

31 (4) The [commission] bureau, in consultation with the State Workforce and Talent Development
 32 Board, may adopt rules pursuant to ORS chapter 183 to implement this section.

33 **SECTION 16.** ORS 660.324 is amended to read:

34 660.324. (1) The State Workforce and Talent Development Board shall identify:

35 (a) Key industries in this state and the workforce skills needed for key industries to grow and
 36 thrive;

37 (b) In collaboration with workforce representatives, needs for education, training, work experi-
 38 ence, and job preparation to ensure Oregonians access to stable high-wage jobs and employment
 39 advancement; and

40 (c) Opportunities for partnerships with key industry sectors to coordinate workforce develop-
 41 ment, economic development and education in response to industry and workforce needs.

42 (2) The board shall assist the Governor in:

43 (a) Developing Oregon's workforce development system;

44 (b) Ensuring timely consultation and collaboration with chief elected officials, local workforce
 45 development boards and other workforce stakeholders, including but not limited to business and la-

1 bor organizations and organizations working with persons with disabilities, persons living at or be-
2 low 100 percent of the federal poverty guidelines and the chronically unemployed and
3 underemployed;

4 (c) Reviewing and approving local workforce plans;

5 (d) Developing, as required by the federal Act, allocation formulas for the distribution of funds
6 to local workforce development areas for adult employment and training activities and for youth
7 activities that are developed by the local workforce development boards;

8 (e) Working with local workforce development boards to increase efficiencies and align
9 workforce programs and services with local needs;

10 (f) Recommending the duties and responsibilities of state agencies to implement the federal Act,
11 to avoid conflicts of interest and to capitalize on the experience developed by workforce partners
12 that are efficient and effective at meeting the requirements of the federal Act;

13 (g) Participating in the development of a coordinated statewide system of activities and services
14 that includes both mandatory and optional partners of the one-stop delivery system, as provided in
15 the federal Act;

16 (h) Providing for the development, accountability and continuous improvement of comprehensive
17 workforce performance measures to assess the effectiveness of the workforce development activities
18 in this state;

19 (i) Developing a statewide employment statistics system, as described in section 15(e) of the
20 Wagner-Peyser Act (29 U.S.C. 49L-2(e)); and

21 (j) Preparing an annual report and submitting it to the United States Department of Labor.

22 (3) The State Workforce and Talent Development Board, in partnership with the Governor, shall
23 establish criteria for use by chief elected officials in appointing members to local workforce devel-
24 opment boards in accordance with the requirements of section 3122 of the federal Workforce Inno-
25 vation and Opportunity Act. The State Workforce and Talent Development Board shall establish the
26 following requirements:

27 (a) To transact business at a meeting of a local workforce development board, a quorum of
28 members must participate. A quorum shall consist of a majority of the members. At least 25 percent
29 of the members participating must be representatives of business.

30 (b) When appropriate and upon a request from the chief elected official of a county or the City
31 of Portland, the State Workforce and Talent Development Board shall consider the county or the
32 City of Portland to be a candidate for designation as a local workforce development area. The board
33 shall consult with the county or the City of Portland before designating the county or the City of
34 Portland as a local workforce development area. After considering the criteria in section 3121 of the
35 federal Act for designating local workforce development areas, chief elected officials may submit a
36 request to the board to combine their units of government into a local workforce development area.
37 The board shall make recommendations to the Governor about the designation of local workforce
38 development areas. Only the Governor may designate local workforce development areas. The Gov-
39 ernor must show just cause for not designating a requested local workforce development area. A
40 county or the City of Portland may submit an appeal to the board, as provided in section 3121 of
41 the federal Act, if the Governor does not grant the county's or the city's request to designate a local
42 workforce development area.

43 (4) The State Workforce and Talent Development Board shall provide guidance and direction to
44 local workforce development boards in the development of local workforce plans. The State
45 Workforce and Talent Development Board shall adopt policies that:

1 (a) Require each local workforce development board, in partnership with its chief elected offi-
 2 cials and in accordance with section 3123 of the federal Act, to develop and submit to the Governor
 3 and the State Workforce and Talent Development Board a strategic local workforce plan that in-
 4 cludes, but is not limited to, performance goals; and

5 (b) Permit each local workforce development board, in consultation with its chief elected offi-
 6 cials:

7 (A) To determine, consistent with the requirements of the federal Act, the appropriate level of
 8 services based on the workforce needs in the local workforce development area; and

9 (B) To designate or certify one-stop operators and to terminate for cause the eligibility of such
 10 operators.

11 (5) The State Workforce and Talent Development Board may charter and enter into performance
 12 compacts with local workforce development boards.

13 (6) The State Workforce and Talent Development Board shall:

14 (a) Function as the primary advisory committee to the Employment Department in conjunction
 15 with the Employment Department Advisory Council established under ORS 657.695;

16 (b) Collaborate with other advisory bodies also tasked with workforce development, including
 17 but not limited to the Oregon State Rehabilitation Council, the Commission for the Blind, the State
 18 Apprenticeship and Training Council, [and] the Higher Education Coordinating Commission **and the**
 19 **Bureau of Labor and Industries;**

20 (c) Work with the Oregon Business Development Commission to identify areas of common in-
 21 terest to efficiently align resources, recommend common strategies and provide accountability for
 22 reaching statewide goals; and

23 (d) Hold state workforce agencies and local workforce development boards accountable for
 24 meeting performance goals and system outcomes.

25 (7) The State Workforce and Talent Development Board shall convene, engage and coordinate
 26 with senior executives of identified key industries in this state, the Oregon Business Development
 27 Commission, the Higher Education Coordinating Commission, the Department of Education, the Bu-
 28 reau of Labor and Industries, the STEM Investment Council, local workforce development boards,
 29 the Employment Department, the Department of Human Services, the Commission for the Blind, the
 30 Youth Development Council and any other partners from training or workforce development entities
 31 in this state to:

32 (a) Determine needs across identified key industries in this state, including challenges and op-
 33 portunities in developing and growing relevant talent pipelines;

34 (b) Ensure that the talent pipeline development infrastructure includes:

35 (A) A listening process to collect workforce needs of employers from identified key industries
 36 in this state;

37 (B) Curriculum alignment for high-demand occupation skill needs;

38 (C) Prediction and monitoring of national trends relating to high-demand industries and occu-
 39 pations;

40 (D) Occupation-aligned education and training options with a clearly articulated progression;

41 (E) Skills assessments; and

42 (F) Academic career counseling;

43 (c) Utilize sector partnerships to:

44 (A) Advise the development of career pathway programs for critical occupations in identified
 45 key industries in this state; and

1 (B) Ensure the coordination of education, economic development, business and workforce initi-
 2 atives between key partners to develop a strong talent pipeline;

3 (d) Leverage and optimize existing measures and data systems to improve systems alignment and
 4 interagency communication; and

5 (e) Ensure state alignment and coordination between industry sector partnerships and initiatives
 6 in the local workforce development areas.

7 (8)(a) Every biennium, the State Workforce and Talent Development Board shall coordinate and
 8 collaborate with entities listed under subsection (7) of this section to create a single, unified state
 9 Workforce and Talent Development Plan.

10 (b) The Workforce and Talent Development Plan must include:

11 (A) A strategy, with quantitative goals, for the statewide workforce development system for the
 12 State of Oregon in accordance with section 3111 of the federal Workforce Innovation and Opportu-
 13 nity Act;

14 (B) Quantifiable goals designed to promote Oregonians' self-sufficiency and that will empower
 15 Oregonians to gain independence from public assistance and move up the socioeconomic ladder;

16 (C) Expectations for performance and the priorities for delivery of services to local workforce
 17 development boards and state workforce agencies;

18 (D) Industry-based information and data from the Employment Department and other agencies
 19 and entities listed in subsection (7) of this section related to talent needs and gaps;

20 (E) Analysis of data regarding the skills required for identified key industry jobs;

21 (F) Information regarding the status of career pathway programs targeted at identified key in-
 22 dustries in this state;

23 (G) Recommendations related to advancing talent pipeline and career pathways development
 24 based on the identified talent issues and trends;

25 (H) Recommendations regarding the alignment and consistency of data nomenclature, collection
 26 practices and data sharing;

27 (I) Utilization and, as appropriate, expansion of existing data-sharing agreements between
 28 agencies and partners;

29 (J) Identification of talent issues and trends related to identified key industries in this state that
 30 are in strategic alignment with state and local workforce and economic priorities;

31 (K) Identification and prioritization of the urgent talent gaps of identified key industries in this
 32 state;

33 (L) A response to immediate talent needs through the creation of additional opportunities for
 34 Oregonians to pursue education and training in disciplines critical to the advancement of identified
 35 key industries in this state;

36 (M) Ways to strengthen efforts to enhance student work experience and job preparedness in
 37 high-demand and critical occupations;

38 (N) New means of delivering workforce training and proficiency-based education to enhance
 39 program efficiency, upgrading and sharing resources and facilities and improving student outcomes
 40 and access to typically underrepresented populations while meeting talent needs of traded sector
 41 and high growth industries; and

42 (O) Ways to increase the skills of the existing professional and technical workforce, including
 43 the issuance of certifications, badges and industry-based credentials.

44 (c) The State Workforce and Talent Development Board shall:

45 (A) Update the plan every biennium; and

1 (B) Submit a report about the plan every year to:

2 (i) The Governor; and

3 (ii) The Legislative Assembly in the manner provided by ORS 192.245.

4 **SECTION 17.** ORS 660.339 is amended to read:

5 660.339. (1) All participant records maintained by the local workforce development boards or any
6 public or private agency involved in programs under the federal Workforce Innovation and Oppor-
7 tunity Act shall be confidential and except as provided in ORS 660.300 to 660.420 shall be open for
8 inspection only in accordance with policies adopted by the [*Higher Education Coordinating Com-*
9 *mission*] **Bureau of Labor and Industries**.

10 (2) A participant may provide written consent for the examination or release of any record
11 pertaining to the participant.

12 (3) All information contained in participant files shall be available for inspection by the partic-
13 ipant and by the participant's parent or legal guardian if the participant is under 18 years of age.
14 Participant behavioral records shall be released only in the presence of an individual qualified to
15 explain or interpret the records.

16 (4) The [*commission*] **bureau** may adopt policies and rules to provide the circumstances under
17 which participant names or records may be made available for inspection when:

18 (a) Ordered by a court of competent jurisdiction.

19 (b) Necessary to protect the health or safety of a participant or another.

20 (c) Necessary to provide information to state and local agencies administering ORS 412.001 to
21 412.161 and 412.991 and ORS chapters 418 and 657, other programs under the federal Workforce
22 Innovation and Opportunity Act and other mandatory programs under this state's one-stop service
23 delivery system.

24 (d) Necessary for program staff work or studies of a statistical or demographic nature.

25 (e) Necessary to carry out the planning and coordinating functions between state and local
26 agencies under the federal Workforce Innovation and Opportunity Act, other applicable state laws
27 or those functions assigned by the Education and Workforce Policy Advisor.

28 **SECTION 18.** ORS 660.340 is amended to read:

29 660.340. (1) There is created in the [*Higher Education Coordinating Commission*] **Bureau of**
30 **Labor and Industries** the Oregon Employer Workforce Training Program. Subject to the availabil-
31 ity of funding, and in consultation with the State Workforce and Talent Development Board, the
32 [*commission*] **bureau** shall operate, and local workforce development boards shall manage, the pro-
33 gram for the purpose of:

34 (a) Assisting businesses and consortia of businesses in implementing projects that identify and
35 provide cost-effective solutions to the issues of employee training, retention and advancement;

36 (b) Maximizing the utilization of public and private resources for providing training to employed
37 persons in skills that are responsive to the need of businesses and industries in Oregon to become
38 and to remain competitive on the national and international level; and

39 (c) Responding to the need of workers in Oregon to develop current job skills necessary to meet
40 the current and future needs of employers.

41 (2)(a) Businesses in industries identified in the plans developed by local workforce development
42 boards as required by ORS 660.327 are eligible to participate in projects selected for participation
43 in the program.

44 (b) Priority for approval of projects submitted under this subsection shall be given to businesses
45 in industries that have the greatest impact on the local economy and emerging green jobs.

(3) Local workforce development boards shall:

(a) Identify businesses and consortia of businesses for potential participation in the program;

(b) Develop and implement an application process for projects proposed for the program;

(c) Notwithstanding the provisions of the Public Contracting Code, use an open and competitive procurement process for agreements entered into with participants in the program;

(d) Require that businesses participating in a project provide private sector funding equal to the amount of state funding provided for the project; and

(e) Track and report to the [commission] **bureau** the outcomes of projects implemented in the local workforce development area, including, but not limited to:

(A) The number of businesses participating in approved projects;

(B) The number and types of projects completed;

(C) The number of employees receiving training;

(D) The number of jobs retained or created by the businesses participating in the project; and

(E) The value of the private sector funding provided.

(4) The [commission] **bureau** shall adopt rules necessary for the implementation and operation of the program created under subsection (1) of this section. The rules shall include, but are not limited to, a process by which moneys may be appropriated and allocated to the local workforce development boards to support projects identified by the local workforce development boards under subsection (3) of this section.

SECTION 19. ORS 660.341 is amended to read:

660.341. The Oregon Employer Workforce Training Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Oregon Employer Workforce Training Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the [Higher Education Coordinating Commission] **Bureau of Labor and Industries** for the purposes of ORS 660.340.

SECTION 20. ORS 660.343 is amended to read:

660.343. (1) There is created in the [Higher Education Coordinating Commission] **Bureau of Labor and Industries** the Oregon National Career Readiness Certification Program to certify the workplace and college readiness skills of Oregonians and to better prepare Oregonians for continued education and workforce training, successful employment and career advancement in a demand-driven, skills-based economy.

(2) Program services may be offered through public high schools, community colleges, local and regional career centers and any other institutions determined to be appropriate by the [commission] **bureau** to residents of Oregon and to employees of businesses located in Oregon.

(3) Services provided by the program shall include, but are not limited to:

(a) An assessment process that identifies the proficiency level of program participants in work-ready skills including, but not limited to, reading, applied mathematics, locating information and any additional skills determined by the [commission] **bureau** to be necessary to meet business and industry skill demands;

(b) Targeted instruction and remedial skills training to provide work-ready skills in which program participants are not proficient, as determined by the assessment process described in paragraph (a) of this subsection, and that have been identified by the [commission] **bureau** as work-ready skills required by local employers;

(c) Issuance of a National Career Readiness Certificate to program participants who demonstrate proficiency in work-ready skills, as determined by the assessment process described in para-

1 graph (a) of this subsection, and who satisfy any other requirements for certification adopted by the
2 [commission] bureau by rule;

3 (d) Providing information to school districts, community colleges and community college service
4 districts about the National Career Readiness Certificate and the assessments, targeted instruction
5 and remedial skills training available through the program; and

6 (e) An online database that:

7 (A) Serves as the repository for National Career Readiness Certificate attainment data.

8 (B) Provides online access to program data that enables employers to determine the work skill
9 proficiency level of individual program participants and to locate certified individuals on a statewide
10 or regional basis.

11 (C) Provides individual program participants the opportunity for career exploration, continuing
12 education, job readiness practice and job searches.

13 (D) Provides individual program participants the opportunity to opt out of the database in ac-
14 cordance with rules adopted by the [commission] bureau.

15 (4) The [commission] bureau, after consultation with the State Workforce and Talent Develop-
16 ment Board and the Department of Education, shall adopt rules for the implementation and admin-
17 istration of the program created under subsection (1) of this section.

18 (5) By September 1 of each year, school districts, community colleges and community college
19 service districts shall report to the [commission] bureau the rate of participation in and the total
20 number of students enrolled in the district or community college who utilized the services provided
21 by the program in the most recently concluded school year.

22 (6) The [commission] bureau shall submit a report on program outcomes and recommendations
23 for improving and funding the program to the appropriate interim legislative committees and to the
24 Governor by January 1 of each year. The report shall include a summary of the information required
25 under subsection (5) of this section.

26 **SECTION 21.** ORS 660.346 is amended to read:

27 660.346. (1)(a) The [Higher Education Coordinating Commission] **Bureau of Labor and Indus-**
28 **tries**, in collaboration with the Employment Department and the State Workforce and Talent De-
29 velopment Board, shall develop and implement a demand-driven, skills-based integrated workforce
30 delivery system focused on skills and talent development.

31 (b) The integrated workforce delivery system implemented under paragraph (a) of this subsection
32 must include, and the [commission] bureau shall maintain, a workforce training inventory of prior-
33 itized occupations.

34 (c) The [commission] bureau shall prioritize recommendations for the allocation of workforce
35 training resources by the integrated workforce delivery system based on occupational prioritization
36 data developed by the Employment Department.

37 (2) The [commission] bureau shall adopt rules necessary for the implementation and adminis-
38 tration of the integrated workforce delivery system developed under subsection (1) of this section.

39 **SECTION 22.** ORS 660.349 is amended to read:

40 660.349. (1)(a) There is created in the [Higher Education Coordinating Commission] **Office of**
41 **Workforce Development** a program to make grants to pilot projects to promote hands-on experi-
42 ence and education in the fundamentals and core competencies in architecture, construction trades
43 and engineering for high school juniors and seniors.

44 (b) Pilot projects funded by the program created under this subsection shall be based on
45 collaborative efforts between local school districts, community colleges, business organizations and

1 labor organizations that provide participants the opportunity for education and training in skills
 2 required to meet the workforce development needs of local, regional and statewide employers.

3 (c) The [commission] office may apply for and receive grants and gifts from public and private
 4 sources to fund grants provided under this section.

5 (2) The program created under subsection (1) of this section for making grants to pilot projects
 6 shall ensure that:

7 (a) Local communities are informed about the availability of the grants;

8 (b) The pilot projects are geographically distributed throughout Oregon;

9 (c) Urban and rural participants have equal opportunity to access quality educational opportu-
 10 nities;

11 (d) Representatives of related, ongoing community efforts assist in the implementation of archi-
 12 tecture, construction trades and engineering education and training; and

13 (e) The program and timelines are designed to minimize barriers to receiving funds.

14 (3) When considering applications for grants, the program shall give priority to pilot projects
 15 that:

16 (a) Provide access for high school juniors and seniors to architecture, construction trades and
 17 engineering education and training through the efforts of local and regional career centers and
 18 public-private consortia;

19 (b) In combination with other projects receiving funds, contribute to architecture, construction
 20 trades and engineering education and training opportunities in every part of the state;

21 (c) Use private and federal funds;

22 (d) Facilitate sharing of resources through public-private partnerships including collaboration
 23 among local school districts, community colleges, business organizations and labor organizations;

24 (e) Have a long-term strategic plan and lack only the necessary financial resources;

25 (f) Help students connect education and training with career planning and job opportunities
 26 through local and regional career centers implemented under the federal Workforce Innovation and
 27 Opportunity Act;

28 (g) Provide articulated secondary and post-secondary education programs that are designed to
 29 lead to a degree or industry-specific skills certification; and

30 (h) Establish short-term training programs that meet the immediate needs of local and regional
 31 employers.

32 (4)(a) The [commission] office shall include in the program created under subsection (1) of this
 33 section a process for the certification of instructors for the program to provide education and
 34 practical experience in architecture, construction trades and engineering.

35 (b) The [commission] **Bureau of Labor and Industries** shall adopt by rule requirements for the
 36 certification of instructors described in paragraph (a) of this subsection.

37 (c) Notwithstanding the requirements adopted under paragraph (b) of this subsection, a person
 38 qualified to serve as an instructor in a state-recognized apprenticeship program is qualified for cer-
 39 tification as an instructor for projects implemented under this section.

40 **SECTION 23.** ORS 660.352 is amended to read:

41 660.352. The Youth Employment Enhancement Fund is established in the State Treasury, sepa-
 42 rate and distinct from the General Fund. Moneys in the Youth Employment Enhancement Fund are
 43 continuously appropriated to the [*Higher Education Coordinating Commission*] **Bureau of Labor and**
 44 **Industries** for the purposes of ORS 660.349.

45 **SECTION 24.** ORS 660.353 is amended to read:

1 660.353. (1)(a) There is created in the [*Higher Education Coordinating Commission*] **Bureau of**
 2 **Labor and Industries** the Oregon Youth Employment Program, which shall operate subject to the
 3 availability of funds, including eligible federal funds, for the purpose of providing meaningful work
 4 experience and workforce training for persons between the ages of 14 and 24.

5 (b) The [*commission*] **bureau** shall, pursuant to criteria established by the [*commission*]
 6 **bureau**, and after allocating a portion of program funds to the Oregon Youth Corps described in
 7 ORS 418.653, provide grants to local workforce development boards. The [*commission*] **bureau** shall
 8 award grants in a manner that ensures no less than 20 percent of program funds are available to
 9 organizations with direct experience serving communities of color.

10 (2) The program shall:

11 (a) Ensure that at least 75 percent of program participants are from communities of color, rural
 12 communities, communities that have faced generational poverty or other communities that have been
 13 historically underrepresented in youth employment as identified by the commission by rule;

14 (b) Create an individual development plan for each program participant that outlines work
 15 readiness, career and educational goals;

16 (c) Provide work readiness instruction;

17 (d) Provide at least five weeks of paid internships, preapprenticeships or other work experience;

18 (e) Pay at least minimum wage for work performed by program participants while in the pro-
 19 gram, or, if a program participant is prohibited by other state or federal law or agreement from
 20 receiving wages from the program provider, provide an award valued at an amount equal to at least
 21 the payment of minimum wage;

22 (f) Provide academic support for earning high school graduation credit, completion of approved
 23 high school equivalency programs such as the General Educational Development (GED) certificate
 24 program or earning college credit for work experience or internships provided through the program;

25 (g) Expose program participants to in-demand occupations and targeted sectors;

26 (h) Require program providers to submit a community engagement plan that details how the
 27 program providers will partner with and serve communities identified in paragraph (a) of this sub-
 28 section; and

29 (i) Require program providers to offer English language learner and accessibility services that
 30 are compliant with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

31 (3) The program may provide for public and private sector employment opportunities.

32 (4)(a) The [*commission*] **bureau** shall collect data on the program, identify successful work ex-
 33 periences and allow for the identification and dissemination of the most promising practices.

34 (b) The data collected shall be disaggregated by:

35 (A) The race and ethnicity of program participants;

36 (B) Whether program participants come from urban or rural areas;

37 (C) The family income of program participants; and

38 (D) Any other characteristic of program participants that the [*commission*] **bureau** determines
 39 by rule would be useful in evaluating the success of the program.

40 (c) The data collected shall include:

41 (A) The number of participants in the program;

42 (B) The number of participants that complete the program;

43 (C) The cost of internships and other work experiences provided;

44 (D) The academic credit earned by participants; and

45 (E) The number of certificates for passing approved high school equivalency tests such as the

1 General Educational Development (GED) test earned by participants.

2 (5) The [commission] **bureau** shall conduct culturally responsive outreach and engagement and
3 offer technical assistance to prospective program providers.

4 (6) In a manner determined by the [commission] **bureau** by rule, the [commission] **bureau** shall
5 assist identified program providers in recruiting program participants across diverse communities
6 by providing:

7 (a) Translation and accessibility services for marketing materials; and

8 (b) Training to program providers in culturally responsive, social emotional health and mental
9 health practices.

10 (7) The [commission] **bureau** shall adopt rules necessary for the implementation and operation
11 of the program created under subsection (1) of this section. The rules shall include, but are not
12 limited to, establishing eligibility criteria for persons participating in the program.

13 **SECTION 25.** ORS 660.354 is amended to read:

14 660.354. The Oregon Youth Employment Fund is established in the State Treasury, separate and
15 distinct from the General Fund. Interest earned by the Oregon Youth Employment Fund shall be
16 credited to the fund. Moneys in the fund are continuously appropriated to the [*Higher Education*
17 *Coordinating Commission*] **Bureau of Labor and Industries** for the purposes of ORS 660.353.

18 **SECTION 26.** ORS 418.653 is amended to read:

19 418.653. Subject to the availability of funds, there is created within the Oregon Youth Employ-
20 ment Program established under ORS 660.353 an Oregon Youth Corps that shall provide emergency
21 services, public conservation, rehabilitation and improvement programs. The corps shall be headed
22 by a program director, and shall be administered through the [*Higher Education Coordinating Com-*
23 *mission*] **Bureau of Labor and Industries**. The program director shall operate the corps in con-
24 sultation with the Oregon Youth Works Advisory Board created under ORS 660.320.

25 **SECTION 27.** ORS 418.657 is amended to read:

26 418.657. (1) In consultation with the Oregon Youth Works Advisory Board created under ORS
27 660.320 and the [*executive*] Director of the [*Higher Education Coordinating Commission*] **Office of**
28 **Workforce Development**, or the designee of the [*executive*] director, the program director of the
29 Oregon Youth Corps shall:

30 (a) Establish eligibility criteria for participants. Such criteria shall not render the program in-
31 eligible for federal funds. Participants shall be lawful permanent residents of this state.

32 (b) Establish criteria in order to make the required determination that enrollment in the corps
33 was not the reason that an individual ceased attendance at a secondary school.

34 (c) Assume that application of the eligibility and participation criteria results in enrollment of
35 at least 75 percent disadvantaged and at-risk youth among the total number of participants.

36 (2) The program director, in consultation with the [*executive*] director, or the designee of the
37 [*executive*] director, may take the following actions, including but not limited to:

38 (a) Applying for and accepting grants or contributions of funds from any public or private
39 source;

40 (b) Making agreements or entering into contracts or other agreements with any local, state or
41 federal agency, or with any private or public organization or tribal government, to utilize, pay for
42 or support any service, material or property of any such entity, where such agreements are consid-
43 ered reasonable and necessary; and

44 (c) Purchasing, contracting or making payment for necessary services, awards, equipment, ma-
45 terials and property where such are needed to carry out the projects approved for and undertaken

1 by the corps.

2 (3) The [*commission*] **bureau** may adopt all necessary rules to carry out the purposes and ob-
 3 jectives of the program and to regulate the standards of conduct and other operating guidelines for
 4 corps members and other personnel.

5 (4) Corps members are exempt from:

6 (a) State Personnel Relations Law; and

7 (b) ORS 279C.800 to 279C.870.

8 **SECTION 28.** ORS 418.658 is amended to read:

9 418.658. (1) The program director of the Oregon Youth Corps shall establish within the Oregon
 10 Youth Employment Program established under ORS 660.353 a separate program known as the
 11 Oregon Community Stewardship Corps. In addition to the established purposes of the Oregon Youth
 12 Corps, the purpose of the Oregon Community Stewardship Corps is to promote community service
 13 activities throughout the state for a broad cross section of Oregon disadvantaged and at-risk youth
 14 through programs that also include appropriate educational and job training opportunities for par-
 15 ticipants.

16 (2) In addition to projects submitted under ORS 418.660 (1), projects of the Oregon Community
 17 Stewardship Corps may include, but shall not be limited to:

18 (a) Child care services.

19 (b) Elderly and disabled care services.

20 (c) Literacy education programs.

21 (d) Recycling and other waste reduction services.

22 (3) The Oregon Community Stewardship Corps shall offer employment and educational opportu-
 23 nities of at least three but not more than 12 months' duration for selected participants.

24 (4) Under rules adopted by the [*Higher Education Coordinating Commission*] **Bureau of Labor**
 25 **and Industries**, participants who successfully complete any program under this section shall be el-
 26 igible for up to \$1,500 in support vouchers that can be used to pay for tuition, books or other items
 27 or services that enhance and support education or employment.

28 (5) All Oregonians who are at least 13 years of age and under 25 years of age are eligible to
 29 participate in the program. To ensure that Oregon Community Stewardship Corps participants rep-
 30 resent a broad cross section of Oregonians, special emphasis shall be given to recruiting school
 31 dropouts and other disadvantaged and at-risk youth, according to criteria established by the Oregon
 32 Youth Works Advisory Board created under ORS 660.320.

33 (6) To the extent practicable, the program director shall enlist state and federal agencies, local
 34 government, nonprofit organizations and private businesses, and any combination of such entities,
 35 to act as sponsors for programs administered under this section. Selection of sponsors shall be based
 36 on criteria that include the following:

37 (a) The availability of other resources on a matching basis, including contributions from private
 38 sources, other federal, state and local agencies, and moneys available through the federal Workforce
 39 Innovation and Opportunity Act;

40 (b) The provision of related educational and job training programs to participants, including but
 41 not limited to school and college coursework, training for approved high school equivalency tests
 42 such as the General Educational Development (GED), project-related education and professional
 43 training;

44 (c) Assurances that proposed projects will not displace existing employees or duplicate existing
 45 private or government programs; and

1 (d) Assurances that proposed projects are devoted to the enhancement of the community and are
 2 not based in maintenance activities and that these projects meet an identified need.

3 (7) In consultation with the advisory board, the program director shall make grants for programs
 4 administered under this section.

5 **SECTION 29.** ORS 418.660 is amended to read:

6 418.660. (1) The programs established under ORS 418.650 to 418.663 may include, but shall not
 7 be limited to, projects such as:

- 8 (a) Rangeland conservation, rehabilitation and improvement;
- 9 (b) Endangered species and other wildlife habitat conservation, rehabilitation and improvement;
- 10 (c) Urban revitalization;
- 11 (d) Historical and cultural site preservation and maintenance;
- 12 (e) Recreational area development, maintenance, improvement and beautification;
- 13 (f) Road and trail maintenance and improvement;
- 14 (g) Soil conservation work, including erosion control;
- 15 (h) Flood, drought and storm damage assistance and relief;
- 16 (i) Stream, lake, waterfront harbor and port improvement and pollution control;
- 17 (j) Fish culture and habitat maintenance and improvement;
- 18 (k) Insect, disease, rodent and other pestilence control;
- 19 (L) Improvement of abandoned railroad land and right of way;
- 20 (m) Land reclamation and improvement, including strip-mined lands, public landscape work and
 21 tree planting programs;
- 22 (n) Energy conservation projects including assistance in the performance of energy efficiency
 23 audits, weatherization and renewable resource enhancement;
- 24 (o) Emergency assistance in times of natural or other disaster;
- 25 (p) Recycling projects; and
- 26 (q) Garden, greenhouse and farming programs.

27 (2) In consultation with the Oregon Youth Works Advisory Board created under ORS 660.320
 28 and the [executive] Director of the [Higher Education Coordinating Commission] **Office of**
 29 **Workforce Development**, or the designee of the [executive] director, the program director of the
 30 Oregon Youth Corps shall ensure that projects selected under ORS 418.650 to 418.663 shall be con-
 31 sistent with all other provisions of applicable state and federal law relating to the management,
 32 oversight and administration of affected public lands.

33 **SECTION 30.** ORS 476.696 is amended to read:

34 476.696. (1) As used in this section:

35 (a) "Eligible organization" includes Oregon-based nonprofit youth development organizations,
 36 federally recognized Indian tribes in this state, nonprofit associations engaged in workforce devel-
 37 opment and public entities that provide programs of job training, skill development and forest-
 38 related or rangeland-related career path training.

39 (b) "Tribe" means a federally recognized Indian tribe in Oregon.

40 (2) The Oregon Youth Works Advisory Board created under ORS 660.320 shall, in collaboration
 41 with a qualified nonprofit foundation, actively seek and source private donations to support the
 42 Oregon Conservation Corps Program.

43 (3) The advisory board may direct the expenditure of moneys from the Oregon Conservation
 44 Corps Fund for a promotional website and materials to solicit private funds.

45 (4) The advisory board shall advise the [Higher Education Coordinating Commission] **Bureau of**

1 **Labor and Industries** on the implementation of a grant process that:

2 (a) Provides funding to support the work conducted by the Oregon Conservation Corps Program.

3 (b) Defines and uses an equity lens in awarding grants by identifying and supporting populations
4 with greater vulnerability, including communities of color, indigenous communities, communities
5 with members who have limited proficiency in English and communities with lower-income members.

6 (c) Awards grants to eligible organizations.

7 (d) Ensures that grant awards support activities described in ORS 476.694 (1) and subsection (5)
8 of this section.

9 (e) Establishes guidelines for prioritizing grant-supported projects to reduce community fire
10 risks, promote youth and young adult workforce development and educational experiences and re-
11 duce hazardous fuels.

12 (5) The [commission] **bureau** shall consult with the State Forestry Department to ensure that
13 the grant process awards funds to proposals that:

14 (a) Protect at-risk communities and infrastructure within the wildland-urban interface, as de-
15 scribed in ORS 477.503.

16 (b) Meet standards for fuel treatment established by the department.

17 (6) The advisory board shall biennially submit a report, on the timeline described in ORS
18 293.640, to an appropriate committee or interim committee of the Legislative Assembly, as described
19 in ORS 192.245, and to the State Wildfire Programs Director and Wildfire Programs Advisory
20 Council, regarding the expenditure of moneys deposited in the Oregon Conservation Corps Fund.

21 **SECTION 31.** ORS 476.698 is amended to read:

22 476.698. (1) The Oregon Conservation Corps Fund is established in the State Treasury, separate
23 and distinct from the General Fund. Interest earned by the Oregon Conservation Corps Fund shall
24 be credited to the fund.

25 (2) The fund may receive contributions from individuals and private organizations.

26 (3) Moneys in the fund are continuously appropriated to the [*Higher Education Coordinating*
27 *Commission*] **Bureau of Labor and Industries** to be used as directed by the Oregon Youth Works
28 Advisory Board created under ORS 660.320 and for related administrative expenses of the [*commis-*
29 *sion*] **bureau**.

30 (4) The [commission] **bureau** shall keep records of all moneys credited to and deposited in the
31 fund and the activity or program against which each withdrawal from the fund is charged.

32 **SECTION 32.** ORS 660.320 is amended to read:

33 660.320. (1) There is created in the [*Higher Education Coordinating Commission*] **Bureau of**
34 **Labor and Industries** the Oregon Youth Works Advisory Board. The purpose of the advisory board
35 is to provide advice on and oversight of the implementation and alignment of youth workforce de-
36 velopment programs for which the [commission] **bureau** is responsible, including but not limited to:

37 (a) The Oregon Youth Corps created under ORS 418.653;

38 (b) The Oregon Conservation Corps Program established under ORS 476.694; and

39 (c) The Oregon Youth Employment Program created under ORS 660.353.

40 (2) The Governor, in consultation with the [commission] **bureau**, shall determine the number of
41 members on the advisory board. In determining the number of members on the advisory board, the
42 Governor shall ensure that membership consists of at least seven but not more than 12 members.

43 (3) The Governor shall appoint the members of the advisory board. The members must be resi-
44 dents of this state who reflect the geographic, racial, ethnic and gender diversity of this state and
45 who have necessary experience that will enable the advisory board to meaningfully advise the

1 [commission] bureau on topics including, but not limited to:

2 (a) Career-connected learning that provides learners with career awareness, exploration, prepa-
3 ration and training in connection with professional and industry-based expectations;

4 (b) Development of career pathways;

5 (c) Youth education programs;

6 (d) Workforce development programs;

7 (e) Rural workforce needs; and

8 (f) Workforce issues affecting underrepresented communities.

9 (4) The advisory board must include representation from:

10 (a) The forestry or wildfire sector;

11 (b) The natural resources sector;

12 (c) Workforce sectors that are experiencing workforce demands;

13 (d) Communities in which the wildland-urban interface faces a high risk of wildfire exposure;

14 (e) Underrepresented communities, including communities of color, rural communities and com-
15 munities that have faced generational poverty or other communities that have been historically
16 underrepresented in youth employment as determined by the [commission] bureau by rule;

17 (f) Tribal communities; and

18 (g) Local workforce development boards.

19 (5) Members of the advisory board serve for a term of four years at the pleasure of the Gover-
20 nor.

21 (6) Members may not receive compensation for service on the advisory board, but, subject to
22 any applicable laws regulating travel and other expenses of state officers and employees, may be
23 reimbursed for actual and necessary travel and other expenses incurred in the performance of offi-
24 cial duties, as provided in ORS 292.495, with moneys available to the advisory board for the purpose
25 of reimbursing members.

26 (7) The [commission] bureau shall provide the advisory board with necessary staff support.

27 **SECTION 33.** ORS 660.348 is amended to read:

28 660.348. (1) Once every even-numbered year, the Committee for Continuous Improvement estab-
29 lished under ORS 660.347 shall identify and contract with an independent third-party entity to con-
30 duct a comprehensive assessment of the public workforce system in this state and to make
31 recommendations for improvements.

32 (2) The comprehensive assessment shall include a review of the workforce programs and services
33 administered by the following entities through the public workforce system:

34 (a) The Higher Education Coordinating Commission;

35 (b) Local workforce development boards;

36 (c) The Employment Department;

37 (d) The Commission for the Blind;

38 (e) The Department of Human Services;

39 (f) The Housing and Community Services Department; [and]

40 **(g) The Bureau of Labor and Industries; and**

41 [(g)] **(h)** Any other entities deemed appropriate by the committee.

42 (3) The comprehensive assessment shall be conducted with a focus on:

43 (a) Advancing racial justice, equity, diversity and inclusion through the programs and services
44 delivered through the public workforce system;

45 (b) Aligning state and local efforts to improve the public workforce system in this state;

1 (c) Supporting improvements that create a more comprehensive public workforce system;

2 (d) Providing quality employment experiences and equitable outcomes for job seekers and busi-
 3 nesses participating in workforce programs;

4 (e) Improving the quality of workforce resources, programs and services made available through
 5 the public workforce system and the transparency of information regarding performance metrics and
 6 outcomes related to those resources, programs and services; and

7 (f) Building on any current workforce program assessments that are required by law.

8 (4)(a) The committee shall present the results of each assessment, along with any recommen-
 9 dations for improvements, in reports to the Governor and to the interim committees of the Legisla-
 10 tive Assembly related to workforce development, in the manner provided under ORS 192.245, on or
 11 before December 15 of each even-numbered year.

12 (b) The committee shall include in the committee's first report, an update regarding the imple-
 13 mentation of the recommendations from the assessment of the public workforce system conducted
 14 under section 3, chapter 280, Oregon Laws 2021.

15 **SECTION 34.** ORS 660.380 is amended to read:

16 660.380. (1) The Prosperity 10,000 Program is established in the [*Higher Education Coordinating*
 17 *Commission*] **Bureau of Labor and Industries** for the following purposes:

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

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

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

23 (d) To support targeted recruitment and engagement efforts.

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

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

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

31 (c) Ensure that services and benefits available through workforce programs are provided to in-
 32 dividuals from priority populations;

33 (d) Provide increased access for priority populations to services and benefits available through
 34 workforce programs;

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

36 (f) Ensure that at least 80 percent of the individuals who participate successfully complete the
 37 program;

38 (g) Ensure that at least 75 percent of the individuals who participate in the program successfully
 39 obtain employment; and

40 (h) Ensure that at least 75 percent of the individuals who participate in the program earn at
 41 least \$17 per hour.

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

44 (A) Distribute resources and available funds to nonprofit community-based organizations, edu-
 45 cational institutions, labor organizations and other workforce service providers to facilitate the

1 provision of workforce development services and wraparound supports to individuals who participate
2 in the program;

3 (B) Coordinate with state workforce agencies and other workforce partners to expand regional
4 community-based partnerships that work to support and sustain workforce development services and
5 wraparound supports; and

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

8 (b) An entity that collaborates with a local workforce development board to accomplish the
9 workforce development activities described under this subsection shall, in accordance with ORS
10 660.327, participate with local workforce development boards in developing a proposed local plan.

11 (4)(a) If an entity receives funds distributed from a local workforce development board under
12 this section and provides paid work experience to individuals who participate in the program es-
13 tablished under this section, the entity shall:

14 (A) Notwithstanding ORS 653.025 and subsection (2)(h) of this section, pay wages to individuals
15 participating in the program at a rate that is:

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

18 (ii) In alignment with the wage progression schedule established by the entity under subpara-
19 graph (B) of this paragraph;

20 (B) Establish a wage progression schedule that includes the step progression requirements and
21 the rate calculation formula upon which the entity shall make determinations about a participating
22 individual's eligibility to increase the individual's wage rate from an entry-level training wage to a
23 wage rate that is equivalent to the average area wage standard for an hour's work in the same trade
24 or occupation in the locality where the labor is performed;

25 (C) Develop a training plan for individuals participating in the program that includes, at a
26 minimum:

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

28 (ii) A statement that the individual shall be paid according to the wage progression schedule
29 established by the entity, along with a description of the requirements that the individual must meet
30 in order to progress to a higher wage rate under the wage progression schedule;

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

34 (iv) A statement explaining that the entry-level training wage paid to the individual is a mini-
35 mum standard and that a higher wage rate shall be paid to the individual if so required under other
36 applicable federal or state laws, regulations or a collective bargaining agreement; and

37 (D) Provide each individual participating in the program with a copy of the training plan de-
38 scribed in subparagraph (C) of this paragraph on the date on which the individual first begins par-
39 ticipating in the program.

40 (b) For purposes of paragraph (a)(A) of this subsection, the entry-level training wage shall be a
41 percentage amount of the average area wage standard for an hour's work in the same trade or oc-
42 cupation in the locality where the labor is performed, but in no event may the entry-level training
43 wage be less than the applicable state minimum wage rate under ORS 653.025.

44 (c) Each individual who performs work for an entity described in this subsection shall be con-
45 sidered an employee of the entity for purposes of state wage and hour laws and state laws prohib-

1 iting employment discrimination and retaliation.

2 (5)(a) As used in this subsection, “SNAP Employment and Training Program” means the em-
 3 ployment and training component of the federal Supplemental Nutrition Assistance Program under
 4 7 U.S.C. 2015(d)(4).

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

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

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

10 (C) Refer individuals who receive supplemental nutrition assistance under ORS 411.806 to
 11 411.845 to participate in the Prosperity 10,000 Program; and

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

17 (6) The State Workforce and Talent Development Board, in consultation with the Committee for
 18 Continuous Improvement, shall:

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

20 (b) Ensure that program goals are met; and

21 (c) Identify areas for program improvement.

22 **SECTION 35.** ORS 660.385 is amended to read:

23 660.385. [(1)(a) *Not later than 60 days following March 17, 2022, the Higher Education Coordi-*
 24 *inating Commission shall distribute the funds specifically appropriated to the commission under section*
 25 *13, chapter 28, Oregon Laws 2022, to local workforce development boards to administer the Prosperity*
 26 *10,000 Program.*]

27 [(b)] (1) The [commission] **Bureau of Labor and Industries** shall distribute all moneys received
 28 from moneys made available [under sections 13 and 14, chapter 28, Oregon Laws 2022,] **by the Leg-**
 29 **islative Assembly for the Prosperity 10,000 Program established under ORS 660.380** to local
 30 workforce development boards using the same formula as required under the federal Workforce In-
 31 novation and Opportunity Act (29 U.S.C. 3101 et seq.) for the allocation of funds to local workforce
 32 development boards.

33 (2) Each local workforce development board shall compile data on the progress made toward
 34 carrying out the Prosperity 10,000 Program. The boards shall prepare and submit a joint report that
 35 includes data, disaggregated by race, gender and geography, to the [commission] **bureau** and the
 36 State Workforce and Talent Development Board no later than October 31 of each year, in the
 37 manner provided in ORS 192.245.

38 **SECTION 36.** ORS 660.400 is amended to read:

39 660.400. (1) As used in this section:

40 (a) “Community-based organization” has the meaning given that term in ORS 660.390.

41 (b) “Community college” has the meaning given that term in ORS 341.005.

42 (c) “Workforce service provider” includes:

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

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

45 (2) There is established in the [*Higher Education Coordinating Commission*] **Bureau of Labor**

1 **and Industries** a program to award grants to workforce service providers and community-based
2 organizations that administer workforce programs in the health care, manufacturing and technology
3 industry sectors and that prioritize equitable program participation by individuals from priority
4 populations.

5 (3) The [commission] **bureau** shall establish criteria and standards by which a workforce service
6 provider or a community-based organization may submit a proposal to receive a grant under this
7 section. In establishing criteria and standards, the [commission] **bureau** shall consider federal non-
8 discrimination and equal opportunity provisions of the Workforce Innovation and Opportunity Act.
9 The [commission] **bureau** shall award grants on a competitive basis, taking into consideration pro-
10 posals that:

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

14 (b) Demonstrate the workforce service provider's or the community-based organization's experi-
15 ence serving individuals from priority populations.

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

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

20 (B) Kindergarten through grade 12 schools;

21 (C) Community colleges;

22 (D) Education and training partners;

23 (E) Local workforce development boards;

24 (F) Economic development organizations;

25 (G) Industry associations; and

26 (H) Universities, as defined in ORS 660.350.

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

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

33 (4) In awarding grants under this section, the [commission] **bureau** shall consult with the State
34 Workforce and Talent Development Board and shall incorporate input from local workforce devel-
35 opment boards and industry consortia convened under ORS 660.410.

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

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

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

40 (c) To provide wraparound workforce development services;

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

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

44 (A) Hiring staff;

45 (B) Developing organizational development strategies;

- 1 (C) Purchasing equipment, technology or other training-related supplies;
 2 (D) Covering administrative costs; and
 3 (E) Any other activities identified in a grant proposal as necessary to administer workforce
 4 programs described under this section.
- 5 (6)(a) If a grant recipient expends moneys to provide paid work experience to individuals par-
 6 ticipating in a workforce program administered by the grant recipient, the grant recipient shall:
- 7 (A) Notwithstanding ORS 653.025, pay wages to individuals participating in the program at a
 8 rate that is:
- 9 (i) Equivalent to an entry-level training wage as determined by the grant recipient pursuant to
 10 paragraph (b) of this subsection; and
- 11 (ii) In alignment with the wage progression schedule established by the grant recipient under
 12 subparagraph (B) of this paragraph;
- 13 (B) Establish a wage progression schedule that includes the step progression requirements and
 14 the rate calculation formula upon which the grant recipient shall make determinations about a
 15 participating individual's eligibility to increase the individual's wage rate from an entry-level train-
 16 ing wage to a wage rate that is equivalent to the average area wage standard for an hour's work
 17 in the same trade or occupation in the locality where the labor is performed;
- 18 (C) Develop a training plan for individuals participating in the program that includes, at a
 19 minimum:
- 20 (i) The entry-level training wage that will be paid to the individual;
- 21 (ii) A statement that the individual shall be paid according to the wage progression schedule
 22 established by the grant recipient entity, along with a description of the requirements that the in-
 23 dividual must meet in order to progress to a higher wage rate under the wage progression schedule;
- 24 (iii) A statement that the entry-level training wage paid to the individual may not be less than
 25 the federal minimum wage rate or the applicable state minimum wage rate, whichever is greater;
 26 and
- 27 (iv) A statement explaining that the entry-level training wage paid to the individual is a mini-
 28 mum standard and that a higher wage rate shall be paid to the individual if so required under other
 29 applicable federal or state laws, regulations or a collective bargaining agreement; and
- 30 (D) Provide each individual participating in the program with a copy of the training plan de-
 31 scribed in subparagraph (C) of this paragraph on the date on which the individual first begins par-
 32 ticipating in the program.
- 33 (b) For purposes of paragraph (a)(A) of this subsection, the entry-level training wage shall be a
 34 percentage amount of the average area wage standard for an hour's work in the same trade or oc-
 35 cupation in the locality where the labor is performed, but in no event may the entry-level training
 36 wage be less than the applicable state minimum wage rate under ORS 653.025.
- 37 (c) An individual who performs work for grant recipient described in this subsection shall be
 38 considered an employee of the grant recipient for purposes of state wage and hour laws and state
 39 laws prohibiting employment discrimination and retaliation.
- 40 (7) The *[commission]* **bureau** shall compile information from each recipient of a grant under this
 41 section regarding the status and use of grant funds to ensure funding is expended for permissible
 42 purposes. At a minimum, the information must include, where applicable:
- 43 (a) The number of individuals who have registered for or completed a workforce program in
 44 health care, manufacturing or technology;
- 45 (b) The number of workforce programs developed and administered by a workforce service pro-

1 vider or a community-based organization;

2 (c) The job placement rate for and income earnings by individuals participating in a workforce
3 program described under this section;

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

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

9 (8) The *[commission]* **bureau** may adopt any rules necessary for carrying out the provisions of
10 this section.

11 **SECTION 37.** ORS 660.405 is amended to read:

12 660.405. (1) As used in this section:

13 (a) “Community-based organization” has the meaning given that term in ORS 660.390.

14 (b) “Comprehensive one-stop center” has the meaning given that term in 34 C.F.R. 361.305.

15 (c) “Workforce benefits navigator” means an individual who:

16 (A) Is employed at a comprehensive one-stop center or a community-based organization to advise
17 and assist individuals from priority populations in accessing workforce programs and applying for
18 benefits and services that are available under the programs;

19 (B) Has comprehensive knowledge and understanding of workforce programs and the benefits
20 and services that are available under those programs;

21 (C) Is aware of the cultural and linguistic differences of individuals from priority populations,
22 including knowledge of the lived experiences of such individuals; and

23 (D) Is trained in trauma-informed practices.

24 (2) The *[Higher Education Coordinating Commission]* **Bureau of Labor and Industries**, in con-
25 sultation with the State Workforce and Talent Development Board, shall establish and administer
26 a program to award grants for pilot projects implemented by local workforce development boards
27 that partner with comprehensive one-stop centers or community-based organizations to employ a
28 workforce benefits navigator to connect individuals from priority populations to workforce programs
29 and to increase access for such individuals to services and benefits made available under those
30 workforce programs.

31 (3) The *[commission]* **bureau** shall establish criteria and standards by which local workforce
32 development boards may submit proposals to receive a grant under this section.

33 (4) The *[commission]* **bureau** may adopt any rules necessary for carrying out the provisions of
34 this section.

35 **SECTION 38.** ORS 660.410 is amended to read:

36 660.410. (1) As used in this section, “community-based organization” has the meaning given that
37 term in ORS 660.390.

38 (2)(a) The *[Higher Education Coordinating Commission]* **Bureau of Labor and Industries**, in
39 consultation with the State Workforce and Talent Development Board, shall establish a program to
40 convene statewide industry consortia that represent the health care, manufacturing and technology
41 industry sectors. Each individual consortium established under this section shall represent a single
42 targeted industry sector.

43 (b) The purpose of the program is to:

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

1 (B) Develop structured processes to address mutual goals and promote consensus in decision-
2 making;

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

6 (D) Develop targeted recruitment strategies to increase equitable participation by individuals
7 from priority populations in statewide workforce programs;

8 (E) Promote workforce development programs and activities in the targeted industry sectors;
9 and

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

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

13 (a) Recalculate the wage rate standards described in subsection (2)(b)(F) of this section using
14 relevant economic and employment data made available by the Employment Department. If there is
15 no such data available, the consortium shall recalculate the wage rate standards using relevant
16 economic and employment data made available from other resources, as identified by the [*commis-*
17 *sion*] **bureau** by rule.

18 (b) Submit a statement to the [*commission*] **bureau** summarizing the methodology used to recal-
19 culate the wage rate standards and the date on which the new wage rate standards shall take effect.

20 (4)(a) An industry consortium established under this section shall operate under the direction
21 of a leadership team composed of the following representatives from the consortium's targeted in-
22 dustry sector:

23 (A) A representative who is a business leader.

24 (B) A representative of a community-based organization that administers one or more workforce
25 programs.

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

27 (D) A representative of a labor organization.

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

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

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

33 (B) One or more representatives of the Racial Justice Council within the Office of the Governor.

34 (C) One or more representatives of employers.

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

36 (E) One or more representatives of labor organizations.

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

38 (G) One or more representatives of economic developers.

39 (5) The State Workforce and Talent Development Board, or any other neutral entity designated
40 by the board, shall serve as the intermediary between the industry consortia members.

41 (6) The [*commission*] **bureau** may adopt any rules necessary to carry out the provisions of this
42 section.

43 **SECTION 39.** ORS 660.415 is amended to read:

44 660.415. (1) The Higher Education Coordinating Commission, [*in collaboration with*] the State
45 Workforce and Talent Development Board, the Bureau of Labor and Industries and the Department

1 of Education[,] shall **collaborate and** review each of the programs established under ORS 660.175,
2 660.350, 660.351, 660.380, 660.390, 660.400, 660.405 and 660.410 to assess performance and expenditure
3 outcomes of the programs. In evaluating the programs, the commission **and the bureau, as appli-**
4 **cable,** shall compile the following information:

5 (a) For the programs established under ORS 660.175, 660.350, 660.380, 660.390, 660.400, 660.405
6 and 660.410:

7 (A) The number of individuals from priority populations who have registered for and who have
8 completed a workforce program, including apprenticeship and preapprenticeship training programs;

9 (B) Data on job placement rates, wages and salary earnings and health and retirement benefits
10 provided for individuals who participated in an established program;

11 (C) A description of any new or expanded workforce programs, including training programs,
12 career pathway programs and apprenticeship and preapprenticeship training programs, established
13 as a result of the programs described under ORS 660.175, 660.350, 660.380, 660.390, 660.400, 660.405
14 and 660.410; and

15 (D) The types and amounts of any wraparound supports and services provided to individuals
16 from priority populations.

17 (b) For the program established under ORS 660.351:

18 (A) The number of youth or young adults from priority populations who have registered for or
19 completed a youth workforce program;

20 (B) Data on job placement rates for youth or young adults from priority populations who have
21 completed a youth workforce program; and

22 (C) A description of any new or expanded paid work experiences, workforce readiness training
23 or job placement services created as a result of grants awarded under ORS 660.351.

24 (2) In carrying out the duties described under subsection (1) of this section, the commission **and**
25 **the bureau** shall coordinate [*its*] **their** activities with relevant state agencies and other workforce
26 partners to:

27 (a) Identify opportunities for leveraging existing partnerships to align data collection standards
28 and practices and to integrate data with any common data system among those partnerships;

29 (b) Support the [*commission's*] assessment efforts **described under this section** and identify
30 areas for future workforce development investments; and

31 (c) Facilitate communication with workforce stakeholders, including but not limited to job
32 seekers, employers, community-based organizations and workforce service providers, in an inclusive
33 manner and, when appropriate, provide stakeholders with access to the results and findings resulting
34 from the [*commission's*] review **described under subsection (1) of this section.**

35 (3) By December 31 of each year, the commission **and the bureau** shall prepare and submit a
36 **joint** report that includes the information described in subsection (1) of this section, disaggregated
37 by race, age, gender and geographical area, including any recommendations for future investments
38 and opportunities to leverage private and federal funding to support investments, to the Governor
39 and to the interim committees of the Legislative Assembly related to workforce development, in the
40 manner provided in ORS 192.245. In addition to including the information described under subsection
41 (1) of this section, the report shall:

42 (a) Provide baseline estimates of statewide labor force participation rates that include, at a
43 minimum:

44 (A) Long-term employment projections for health care and manufacturing;

45 (B) The progress made toward achieving the statewide educational attainment goals established

1 under ORS 350.014 and 350.018; and

2 (C) Projections related to post-secondary educational attainment needs; and

3 (b) Describe how the programs established under ORS 660.175, 660.350, 660.380, 660.390, 660.400,
4 660.405 and 660.410 contributed to statewide labor force participation by demonstrating, at a mini-
5 mum, the following:

6 (A) The percentage of individuals who participated in an established program as compared to
7 the share of the statewide labor force, by race;

8 (B) The percentage of individuals who participated in an established program as compared to
9 the share of the statewide labor force, by gender;

10 (C) The percentage of individuals who participated in an established program and who received
11 a post-secondary certificate, credential or degree as compared to the share of the statewide labor
12 force, disaggregated by race, age, gender and geographical area;

13 (D) The number of individuals who participated in an established program and who received a
14 post-secondary certificate, credential or degree as compared to the statewide educational attainment
15 goals described under ORS 350.014 and 350.018, disaggregated by race, age, gender and geographical
16 area; and

17 (E) The job placement rates of individuals who participated in an established program as com-
18 pared to long-term employment projections for health care and manufacturing, disaggregated by
19 race, age, gender and geographical area.

20 (4) As used in this section:

21 (a) “Community-based organization” has the meaning given that term in ORS 660.390.

22 (b) “Workforce service provider” has the meaning given that term in ORS 660.400.

23 (c) “Youth workforce program” has the meaning given that term in ORS 660.351.

24 **SECTION 40.** ORS 660.420 is amended to read:

25 660.420. (1) There is established a program in the [*Higher Education Coordinating Commission*]
26 **Bureau of Labor and Industries** to support strategic investments in workforce development pro-
27 grams and activities in Oregon’s maritime sector, in coordination with:

28 (a) Local workforce development boards in regions with a high demand for maritime workers;

29 (b) Community colleges operated under ORS chapter 341; and

30 (c) Other workforce partners that support maritime workforce development, including but not
31 limited to school districts and regional networks that support science, technology, engineering and
32 mathematics.

33 (2) At a minimum, the program shall:

34 (a) Make targeted investments in workforce development programs designed to advance the
35 growth, qualifications and availability of Oregon’s maritime workforce.

36 (b) Identify and develop specific sectors within the maritime workforce to initiate new workforce
37 education and job skills programs and to increase participation in existing maritime programs.

38 (c) Promote growth and development of maritime workforce development programs in school
39 districts and community colleges by hiring faculty and staff with maritime expertise to assist with
40 curriculum selection for educational programs and the development of such programs to prepare
41 individuals for careers in the maritime sector.

42 (d) Foster industry involvement in apprenticeship programs, mentorship and other programs that
43 provide training for entry into the maritime workforce.

44 (e) Support activities that prepare individuals for careers in the maritime sector, including but
45 not limited to educating, training and mentoring activities related to maritime construction and en-

1 gineering and mariner training.

2 (f) Conduct outreach and promote awareness about opportunities to receive maritime training
3 and education.

4 (3) The [commission] bureau may adopt any rules necessary for the implementation and admin-
5 istration of this section.

6
7 **RENAMING OFFICE OF COMMUNITY COLLEGES AND WORKFORCE DEVELOPMENT**

8
9 **SECTION 41.** (1) The amendments to ORS 294.393, 294.456, 341.005, 341.019, 341.021,
10 341.039, 341.102, 341.105, 341.440, 341.446, 341.455, 341.487, 341.526, 341.551, 341.626, 341.655,
11 341.665, 341.670, 344.070, 344.080, 344.090, 344.125, 350.150, 350.155, 350.160, 350.170, 350.175,
12 350.432, 353.606, 408.506, 413.600, 417.799, 421.084 and 576.871 by sections 14 and 44 to 76 of this
13 2025 Act are intended to change the name of the “Office of Community Colleges and
14 Workforce Development” to the “Office of Community Colleges.”

15 (2) For the purpose of harmonizing and clarifying statutory law, the Legislative Counsel
16 may substitute for words designating the “Office of Community Colleges and Workforce De-
17 velopment,” wherever they occur in statutory law, other words designating the “Office of
18 Community Colleges.”

19 **SECTION 42.** (1) The amendments to ORS 350.155 by section 45 of this 2025 Act are in-
20 tended to change the name of the “Office of Community Colleges and Workforce Develop-
21 ment Account” to the “Office of Community Colleges Account.”

22 (2) For the purpose of harmonizing and clarifying statutory law, the Legislative Counsel
23 may substitute for words designating the “Office of Community Colleges and Workforce De-
24 velopment Account,” wherever they occur in statutory law, other words designating the
25 “Office of Community Colleges Account.”

26 **SECTION 43.** ORS 350.095 is amended to read:

27 350.095. (1) The Higher Education Coordinating Commission is authorized to:

28 (a) Request, as part of the funding request under ORS 350.090, appropriations for budgetary
29 items, including but not limited to education and general operations, statewide public services, state
30 funded debt service, capital improvements, deferred maintenance, special initiatives and investments
31 or any other purpose listed under ORS 350.075 (3)(e); **and**

32 (b) Allocate moneys, from funds appropriated to the commission and other available moneys, to
33 public universities listed in ORS 352.002.[: and]

34 [(c) Request, as part of the funding request relating to duties authorized under ORS 660.300 to
35 660.420, appropriations for budgetary items, including but not limited to workforce development and
36 coordination of the state workforce development system.]

37 (2) The commission shall certify to the Legislative Assembly, in any funding request pursuant
38 to subsection (1)(a) of this section for state bonds under Article XI-F(1) of the Oregon Constitution
39 for the benefit of a public university listed in ORS 352.002, its evaluation of the revenue sufficiency,
40 as defined in ORS 286A.830, of the public university that will receive the proceeds of any Article
41 XI-F(1) bonds approved by the Legislative Assembly.

42 **SECTION 44.** ORS 350.150 is amended to read:

43 350.150. (1) The Office of Community Colleges [and Workforce Development] is established within
44 the Higher Education Coordinating Commission. The office shall function under the direction and
45 control of the commission, with the Director of the Office of Community Colleges [and Workforce

1 *Development]* serving as an administrative officer for community college matters.

2 (2) *[Except as provided in subsection (3) of this section,]* The commission may adopt any rules
 3 necessary for the effective and efficient administration of the office or for the administration of laws
 4 that the office is charged with administering.

5 *[(3) The commission, in consultation with the State Workforce and Talent Development Board,*
 6 *workforce partners and the Education and Workforce Policy Advisor and pursuant to ORS chapter*
 7 *183, may adopt any rules necessary for the administration of laws related to the federal Workforce*
 8 *Innovation and Opportunity Act that the commission is charged with administering.]*

9 **SECTION 45.** ORS 350.155 is amended to read:

10 350.155. (1) The Office of Community Colleges *[and Workforce Development]* Account is estab-
 11 lished in the State Treasury, separate and distinct from the General Fund. Except for moneys oth-
 12 erwise designated by statute, all fees, assessments and other moneys received by the Office of
 13 Community Colleges *[and Workforce Development]* shall be deposited into the State Treasury and
 14 credited to the account. All moneys in the account are continuously appropriated to the Higher
 15 Education Coordinating Commission for purposes authorized by law.

16 (2) The office may accept gifts, grants and donations from any source to carry out the duties
 17 imposed upon the office. Moneys received under this subsection shall be paid into the account.

18 (3) The office shall keep a record of all moneys deposited into the account. The record shall
 19 indicate by separate cumulative subaccounts the sources from which the moneys are derived and the
 20 individual activity or program against which each withdrawal is charged.

21 (4) Disbursements from the account shall be made as directed by the Higher Education Coordi-
 22 nating Commission.

23 **SECTION 46.** ORS 350.160 is amended to read:

24 350.160. (1) The executive director of the Higher Education Coordinating Commission shall ap-
 25 point a Director of the Office of Community Colleges *[and Workforce Development]* who shall serve
 26 at the pleasure of the executive director.

27 (2) The director shall be a person who by training and experience is well qualified to perform
 28 the duties of the office and to assist in carrying out the functions of the Higher Education Coordi-
 29 nating Commission under this section and ORS 341.015, 341.440, 341.455, 341.626, 341.655 and 341.933.

30 (3) The director shall:

31 (a) Be the executive head of the Office of Community Colleges *[and Workforce Development]*.

32 (b) Direct and supervise all activities of the Office of Community Colleges *[and Workforce De-*
 33 *velopment]*.

34 (c) Hire staff, as authorized by the executive director of the Higher Education Coordinating
 35 Commission to assist in carrying out the duties of the director. The staff shall be considered em-
 36 ployees of the Office of Community Colleges *[and Workforce Development]* for purposes of ORS
 37 chapters 240 and 243.

38 (d) Be responsible directly to the executive director of the Higher Education Coordinating
 39 Commission for those duties enumerated in ORS chapter 341.

40 (4) The director, with approval of the executive director of the Higher Education Coordinating
 41 Commission, shall be responsible for the representation of community college interests to the Gov-
 42 ernor, the Legislative Assembly, state agencies and others.

43 (5) The executive director of the Higher Education Coordinating Commission shall be responsi-
 44 ble for submitting community college budget requests for the Office of Community Colleges *[and*
 45 *Workforce Development]* to the Legislative Assembly. The Higher Education Coordinating Commis-

1 sion shall ensure that the budget request for community colleges and for the Office of Community
2 Colleges [*and Workforce Development*] are separate and distinct from the commission's other requests
3 to the Legislative Assembly.

4 **SECTION 47.** ORS 350.170 is amended to read:

5 350.170. (1) The Higher Education Coordinating Commission shall establish by rule a process for
6 making grants or loans to public-private partnerships to provide advanced technology education and
7 training opportunities. The purpose of the grants and loans is to support the development and im-
8 plementation of public-private partnerships to provide advanced technology education and training
9 opportunities in all business and industry sectors for individuals in communities throughout Oregon.
10 The partnerships shall be between public and private entities and may include joint ventures among
11 business and industry, school districts, education service districts, eligible post-secondary insti-
12 tutions as defined in ORS 348.180 and public bodies as defined in ORS 174.109.

13 (2) A public-private partnership that receives a grant or loan under this section must provide
14 advanced technology education and training opportunities that:

15 (a) Address current and future workforce development needs dictated by Oregon's rapidly
16 changing economy;

17 (b) Facilitate sustainable and dynamic economic development in communities by creating flexible
18 opportunities for workforce development;

19 (c) Establish results oriented, collaborative investments of public and private resources in com-
20 munities throughout Oregon;

21 (d) Ensure that Oregon's capacity for economic growth and vitality is not limited by a lack of
22 opportunities for workforce development; and

23 (e) Provide support to existing community efforts to establish innovative strategies for delivering
24 advanced technology education and training.

25 (3) The process established by the commission for making grants and loans shall ensure that:

26 (a) Local communities are informed about the availability of the grants and loans;

27 (b) Advanced technology education and training projects are geographically distributed
28 throughout Oregon;

29 (c) There is equal opportunity for urban and rural access to quality education and training op-
30 portunities;

31 (d) Representatives of related, ongoing community efforts assist in the implementation of ad-
32 vanced technology education and training projects; and

33 (e) Procedures and timelines are designed to minimize barriers to receiving funds.

34 (4) When considering applications for grants and loans, the Office of Community Colleges [*and*
35 *Workforce Development*] shall give priority to advanced technology education and training projects
36 that:

37 (a) Provide or increase access for individuals to advanced technology education and training
38 through the efforts of local and regional career centers and partnerships and distance education
39 technology available locally and regionally;

40 (b) In combination with other projects receiving funds, contribute to advanced technology edu-
41 cation and training opportunities in every part of the state;

42 (c) Use federal funds;

43 (d) Have widespread community support as evidenced by a memorandum of agreement or similar
44 documentation;

45 (e) Represent an effective sharing of resources through public-private partnerships among busi-

1 ness and industry, school districts, education service districts, eligible post-secondary institutions
 2 as defined in ORS 348.180 and public bodies as defined in ORS 174.109;

3 (f) Have a long-term strategic plan and lack only the necessary financial resources;

4 (g) Provide state-of-the-art technology that meets current standards of business and industry and
 5 addresses local and regional economic development priorities;

6 (h) Help individuals connect education and training with career planning and job opportunities
 7 through local and regional career centers as implemented under the federal Workforce Innovation
 8 and Opportunity Act;

9 (i) Provide articulated education programs that lead to a degree or an industry-specific skills
 10 certification; and

11 (j) Establish short-term training programs that meet the immediate needs of local employers in
 12 their communities.

13 (5)(a) A public-private partnership awarded a grant or loan under this section shall use the grant
 14 or loan for any of the following:

15 (A) Infrastructure construction or reconstruction.

16 (B) Equipment or technology purchases.

17 (C) Curriculum development.

18 (D) Expansion or revision of a current project to increase the capacity of the project, alter the
 19 project plan, change the members of the partnership or address education or employment deficien-
 20 cies in the community served by the public-private partnership.

21 (b) A grant or loan awarded under this section for the purpose described in paragraph (a)(D)
 22 of this subsection may not exceed \$25,000.

23 (6) The application for a grant or loan under this section shall include:

24 (a) The names of the members of the public-private partnership;

25 (b) A description of standards used to assess the performance of the project;

26 (c) An estimate of the number of individuals who will be served by the project;

27 (d) The name of the fiscal agent of the public-private partnership;

28 (e) A project plan covering at least the first two years after receipt of a grant or loan; and

29 (f) The name of the person who will be responsible for convening the public-private partnership
 30 on a regular basis.

31 (7) The commission may accept contributions of funds and assistance from the United States
 32 Government or its agencies or from any other source, public or private, and agree to conditions
 33 placed on the funds not inconsistent with the purposes of this section.

34 (8) Any moneys received by the commission through repayment of a loan awarded under this
 35 section, or received by the commission under subsection (7) of this section, shall be deposited by the
 36 commission in the Advanced Technology Education and Training Fund established under ORS
 37 350.165.

38 **SECTION 48.** ORS 350.175 is amended to read:

39 350.175. (1) The Director of the Office of Community Colleges [*and Workforce Development*] may
 40 issue certificates for passing approved high school equivalency tests such as the General Educa-
 41 tional Development (GED) test to persons who demonstrate satisfactory performance in tests pre-
 42 scribed under subsection (2) of this section or meet the requirements of any prescribed evaluative
 43 procedure.

44 (2) The Higher Education Coordinating Commission by rule may prescribe tests and other ap-
 45 propriate evaluation procedures for the purposes of subsection (1) of this section and may establish

1 age, residence and other relevant qualifications for applicants.

2 (3) The Office of Community Colleges [*and Workforce Development*] may utilize its personnel and
3 facilities for the administration of this section, and the commission may establish by rule a
4 nonrefundable application fee. The fee may be waived by the commission in case of hardship.

5 (4) Subject to prior approval of the Oregon Department of Administrative Services, the fee es-
6 tablished under subsection (3) of this section [*shall*] **may** not exceed the cost of administering the
7 program, as authorized by the Legislative Assembly within the office's budget, as the budget may
8 be modified by the Emergency Board.

9 (5) All moneys received under this section shall be deposited in the State Treasury to the credit
10 of the Office of Community Colleges [*and Workforce Development*] and shall be used exclusively for
11 administration of this section. The Office of Community Colleges [*and Workforce Development*] shall
12 keep a record of all moneys deposited in such account. The record shall indicate by separate cu-
13 mulative accounts the source from which the moneys are derived and the individual activity against
14 which each withdrawal is charged.

15 (6) The Director of the Office of Community Colleges [*and Workforce Development*] shall consult
16 with the Superintendent of Public Instruction on all matters related to evaluation procedures used
17 to measure equivalent achievement under this section. The superintendent is authorized to make
18 independent recommendations on evaluation procedures to the office in those cases where the
19 superintendent's judgment differs from that of the director.

20 **SECTION 49.** ORS 294.393 is amended to read:

21 294.393. (1) Each school district and each education service district shall prepare the estimates
22 of expenditures required under ORS 294.388 in accordance with the classification of revenue and
23 expenditure accounts prescribed by the Department of Education in consultation with the Depart-
24 ment of Revenue. The Department of Revenue is responsible for determining the district's compli-
25 ance with this subsection.

26 (2) Each community college district shall prepare the estimates of expenditures required under
27 ORS 294.388 in accordance with the classification of revenue and expenditure accounts prescribed
28 by the Office of Community Colleges [*and Workforce Development*] in consultation with the Depart-
29 ment of Revenue. The Department of Revenue is responsible for determining the district's compli-
30 ance with this subsection.

31 (3) Notwithstanding ORS 294.388 (2), each municipal corporation that operates a public utility
32 or hospital shall prepare estimates for the operations of each public utility or hospital in accordance
33 with:

34 (a) The applicable generally accepted system of accounts for the operations; or

35 (b) The general system of accounts in ORS 294.305 to 294.565.

36 **SECTION 50.** ORS 294.456 is amended to read:

37 294.456. (1)(a) After the public hearing required under ORS 294.453 (1) and consideration of
38 matters discussed at the public hearing, the governing body of a municipal corporation shall enact
39 the ordinances or resolutions necessary to adopt the budget, to make the appropriations, to deter-
40 mine, make and declare the ad valorem property tax amount or rate to be certified to the assessor
41 for either the ensuing year or each of the years of the ensuing budget period and to itemize and
42 categorize the ad valorem property tax amount or rate as required under ORS 310.060.

43 (b) The governing body may amend the budget estimates and proposed ad valorem property tax
44 amount or rate in the budget document before adoption under paragraph (a) of this subsection and
45 after adoption if the post-adoption amendments are adopted prior to the commencement of the fiscal

1 year or budget period to which the budget relates.

2 (c) Notwithstanding paragraph (b) of this subsection, unless the amended budget document is
3 republished pursuant to ORS 294.438 or 294.448 in the same manner as the original budget and an-
4 other public hearing is held pursuant to ORS 294.453 (1), or except to the extent ad valorem prop-
5 erty taxes may be increased under ORS 294.476:

6 (A) The amount of estimated expenditures for each fund in an annual budget may not be in-
7 creased by more than \$5,000 or 10 percent of the estimated expenditures, whichever is greater;

8 (B) The amount of estimated expenditures for each fund in a biennial budget may not be in-
9 creased by more than \$10,000 or 10 percent of the estimated expenditures, whichever is greater; and

10 (C) The amount or rate of the total ad valorem property taxes to be certified by the municipal
11 corporation to the assessor may not exceed the amount approved by the budget committee.

12 (2)(a) After a public hearing under ORS 294.453 (2) or (3), receipt of the certification of the tax
13 supervising and conservation commission, if required, and consideration of any orders, recommen-
14 dations or objections made by the tax supervising and conservation commission in accordance with
15 law, the governing body of a municipal corporation shall enact the ordinances or resolutions nec-
16 cessary to adopt the budget, to make the appropriations, to determine, make and declare the ad
17 valorem property tax amount or rate for either the ensuing fiscal year or each of the fiscal years
18 of the ensuing budget period and to itemize and categorize the ad valorem property tax amount or
19 rate as required under ORS 310.060.

20 (b) The action taken by the governing body under paragraph (a) of this subsection on each order,
21 recommendation or objection made by the commission, with the reasons for the action, must be in-
22 cluded in the ordinance or resolution adopting the budget.

23 (c) The governing body shall send a certified copy of the ordinance or resolution to the com-
24 mission within 15 days after the date the ordinance or resolution is adopted.

25 (d) The governing body may amend the budget estimates, appropriations and ad valorem prop-
26 erty tax amount or rate in the budget document before adoption under paragraph (a) of this sub-
27 section and after adoption if the post-adoption amendments are adopted prior to the commencement
28 of the fiscal year or budget period to which the budget relates.

29 (e) Notwithstanding paragraph (d) of this subsection, unless the amended budget document is
30 resubmitted to the tax supervising and conservation commission for another public hearing and for
31 recommendations or objections of the commission, or except to the extent ad valorem property taxes
32 may be increased under ORS 294.476:

33 (A) The amount of estimated expenditures for each fund in an annual budget may not be in-
34 creased by more than \$5,000 or 10 percent of the estimated expenditures, whichever is greater;

35 (B) The amount of estimated expenditures for each fund in a biennial budget may not be in-
36 creased by more than \$10,000 or 10 percent of the estimated expenditures, whichever is greater; and

37 (C) The amount or rate of the total ad valorem property taxes to be certified by the municipal
38 corporation to the assessor may not exceed the amount approved by the budget committee.

39 (3)(a) Except as provided in subsections (4) and (5) of this section, the appropriations required
40 under subsections (1) and (2) of this section must contain:

41 (A) One amount for each organizational unit or program of each fund that is the total of all
42 amounts for personnel services, materials and services and capital outlay attributable to the organ-
43 izational unit or program; and

44 (B) Separate amounts in each fund for operating expenses for personnel services, materials and
45 services and capital outlay that cannot be allocated to a particular organizational unit or program

1 and for debt service, special payments, interfund revenue transfers and operating contingencies.

2 (b) Separate amounts for activities within an organizational unit or program may be appropri-
3 ated separately.

4 (c) For a municipal corporation to which the terms “organizational unit” and “program” do not
5 apply, the appropriations must contain separate amounts for personnel services, materials and ser-
6 vices, capital outlay, debt service, special payments, interfund revenue transfers and operating con-
7 tingencies for each fund.

8 (4) For a school district or an education service district, the appropriations required under
9 subsections (1) and (2) of this section must contain separate amounts in each major fund for each
10 major function, as prescribed by the Department of Education in consultation with the Department
11 of Revenue, including instruction, support services, enterprise and community services, facilities
12 acquisition and construction, interfund revenue transfers, debt service and operating contingencies.

13 (5) For a community college district, the appropriations required under subsections (1) and (2)
14 of this section must contain separate amounts in each fund for:

15 (a) Each major function, as prescribed by the Office of Community Colleges [*and Workforce De-*
16 *velopment*] in consultation with the Department of Revenue, including instruction, instructional
17 support, student services, community services, college support services, interfund transfers, debt
18 service and operating contingencies;

19 (b) Each major function as required under subsection (4) of this section; or

20 (c) Each organizational unit or program and each object classification required under subsection
21 (3) of this section.

22 (6) Except as provided in ORS 294.338, 294.463, 294.466, 294.471, 294.473 and 294.478, after the
23 governing body has enacted the ordinances or resolutions necessary to adopt the budget as required
24 under this section, an expenditure, or encumbrance if encumbrance accounting is used, of public
25 money may not be made for any purpose in an amount greater than the amount appropriated.

26 (7) The governing body of a municipal corporation shall record the amount or rate of ad valorem
27 property taxes to be certified and the purposes for which the taxes will be used. Except as provided
28 in ORS 294.476, the municipal corporation may not certify ad valorem property taxes in an amount
29 or rate greater than the amount or rate recorded for the purposes indicated.

30 (8)(a) The governing body of a municipal corporation shall determine, make and declare ad
31 valorem property taxes under subsections (1) and (2) of this section as a rate per \$1,000 of assessed
32 value if the taxes are operating taxes as defined in ORS 310.055 (1) or rate-based local option taxes.

33 (b) The governing body shall determine, make and declare ad valorem property taxes under
34 subsections (1) and (2) of this section as an amount if the taxes are certified as amount-based local
35 option taxes, to pay principal and interest on exempt bonded indebtedness or to pay other govern-
36 ment obligations described in Article XI, section 11 (5), of the Oregon Constitution.

37 (c) Notwithstanding paragraph (a) of this subsection, the governing body may certify operating
38 taxes as defined in ORS 310.055 (1) as a rate or an amount if less than the full authority is needed
39 to balance the fund that will receive the taxes.

40 **SECTION 51.** ORS 341.005 is amended to read:

41 341.005. As used in this chapter, unless the context otherwise requires:

42 (1) “Academic year” means the year beginning July 1 of each year and ending June 30 of the
43 following year running concurrently with the fiscal year.

44 (2) “Board” means the board of education of a community college district.

45 (3) “Board member” means a member of the board of education of a community college district.

1 (4)(a) Except as provided in paragraph (b) of this subsection, “community college” means a
 2 public institution operated by a community college district for the purposes of providing courses of
 3 study limited to not more than two years’ full-time attendance and designed to meet the needs of a
 4 geographical area by providing educational services, including but not limited to career and tech-
 5 nical education programs or lower division collegiate programs.

6 (b) The two-year limitation described in paragraph (a) of this subsection does not apply to:

7 (A) Technical programs in which the curriculum may require more than two years of attendance
 8 but less than four years;

9 (B) Applied baccalaureate degree programs approved under ORS 341.013; or

10 (C) Bachelor of Science: Nursing degree programs approved under ORS 341.013.

11 (5) “Community college district” or “district” means a district formed under this chapter to op-
 12 erate one or more community colleges or to secure educational services available at a community
 13 college. “Community college district” includes a community college service district.

14 (6) “Director” means the Director of the Office of Community Colleges [*and Workforce Develop-*
 15 *ment*] appointed under ORS 350.160 by the executive director of the Higher Education Coordinating
 16 Commission.

17 (7) “Full-time equivalent student” means a student or combination of several students who car-
 18 ries or carry among them, within a single academic year, a minimum number of clock hours of in-
 19 struction, in any program, to be specified by rule by the Higher Education Coordinating Commission.

20 (8) “Paying agent and registrar” means the county treasurer or county fiscal officer of the
 21 county in which the chief administrative officer of the community college district maintains the ad-
 22 ministrative office.

23 (9) “Petitioning territory” means a community college district petitioning to have an area out-
 24 side the district included in the district or to have an area inside the district excluded from the
 25 district, or an area outside the district petitioning to be included within the district.

26 (10) “Principal county” means the county in which the chief administrative officer of the com-
 27 munity college district maintains the administrative office.

28 **SECTION 52.** ORS 341.019 is amended to read:

29 341.019. (1) All areas within this state shall be served by a community college district. Such
 30 services may be provided either:

31 (a) Directly by formation of a community college district; or

32 (b) Indirectly by contract with an existing community college district.

33 (2) The Office of Community Colleges [*and Workforce Development*] shall fix responsibility for
 34 serving each area that is not within a community college district. Where feasible, each area shall
 35 be a whole county or a group of counties or that part of a county not already in a community col-
 36 lege district.

37 (3) In order to obtain the services described in subsection (1)(b) of this section, residents of a
 38 nondistrict area must indicate their interest in receiving services by requesting formation of a local
 39 advisory committee and seeking the advice and counsel of the Office of Community Colleges [*and*
 40 *Workforce Development*].

41 (4) The Higher Education Coordinating Commission by rule shall establish standards for the
 42 Office of Community Colleges [*and Workforce Development*] to use determining when there is suffi-
 43 cient interest among the residents of a nondistrict area to warrant appointment of a local advisory
 44 committee.

45 (5) When the Office of Community Colleges [*and Workforce Development*] has made the determi-

1 nation under subsection (4) of this section, the office and the interested residents of the nondistrict
 2 area shall apply jointly to the governing body of the county for the appointment of a local advisory
 3 committee.

4 (6) Upon application, the governing body of the county shall appoint a local advisory committee
 5 and shall ensure that the committee is broadly representative of the nondistrict area.

6 (7) If the nondistrict area involves two or more counties, the governing body of each county
 7 shall appoint members to the local advisory committee in proportion to the number of county resi-
 8 dents within the nondistrict area.

9 (8) The governing body of a county making appointments under subsection (6) or (7) of this
 10 section shall not be obligated to fund any part of the budget described in ORS 341.021 (3).

11 (9) The duties of the local advisory committee shall include, but need not be limited to, advising
 12 the officials of the community college district serving the nondistrict area on the educational needs
 13 of the area.

14 (10) As used in ORS 341.019 to 341.022, “community college district” includes a community col-
 15 lege service district.

16 **SECTION 53.** ORS 341.021 is amended to read:

17 341.021. (1) The Office of Community Colleges [*and Workforce Development*] shall invite existing
 18 community college districts to submit proposals for the provision of service to an area that has of-
 19 ficially indicated its interest in receiving service.

20 (2) The responsibilities of the host community college district shall include:

21 (a) Preparing a written agreement for services to be provided to nondistrict areas using a format
 22 specified by the office; and

23 (b) Acting as the fiscal agent for agreements including establishing tuition and fees for services
 24 offered under terms of an agreement.

25 (3) Agreements between the community college district and nondistrict entities as listed in ORS
 26 341.315 shall include an annual budget setting forth both revenue and expenditures. The budget shall
 27 be based upon the following conditions:

28 (a) Subject to ORS 341.022, eligible full-time equivalent student enrollment produced under the
 29 agreement may be claimed for state reimbursement purposes by the community college district.
 30 Such reimbursement shall come from the Community College Support Fund established in ORS
 31 341.620 and shall be distributed as directed in ORS 341.626 and the rules of the Higher Education
 32 Coordinating Commission.

33 (b) A share of the budget shall be provided by those individuals or agencies receiving service
 34 under this agreement as specified by rule of the commission adopted under ORS 341.024 (3).

35 (4) Agreements developed under this section shall be wholly supported by Community College
 36 Support Fund reimbursement, nondistrict student tuition and nondistrict resources.

37 **SECTION 54.** ORS 341.039 is amended to read:

38 341.039. (1) A petition submitted pursuant to ORS 341.025 may specify that the proposed district
 39 be organized as a community college service district. The formation of a community college service
 40 district shall comply with the provisions of ORS 341.025 to 341.125. A petition affecting a territory
 41 that, in the judgment of the Director of the Office of Community Colleges [*and Workforce Develop-*
 42 *ment*], will not generate an annual enrollment in excess of 1,000 full-time equivalent students after
 43 three years of operation shall be considered to be a petition for the formation of a community col-
 44 lege service district.

45 (2) If formed, a community college service district shall in all respects be governed by the laws

1 applicable to community college districts with the following exceptions:

2 (a) Notwithstanding ORS 341.675, community college service districts formed on or after July
3 1, 1997, may not incur bonded indebtedness for any purpose. This limitation shall not be construed
4 to prohibit lease-purchase arrangements or other lawful forms of capital financing. A community
5 college service district may hold and own buildings and grounds acquired through gifts or financing
6 methods authorized by this section.

7 (b) The board of education for a community college service district shall annually review the
8 programs and services of the service district. This review shall have as its purpose a determination
9 of which services can most effectively and economically be delivered directly and which services can
10 best be delivered through contracting arrangements. The direct hiring of faculty and staff is ex-
11 pressly permitted.

12 (3) After having been in operation for at least three years, a community college service district
13 may submit to the electors of the district the question of whether the district shall operate as a
14 community college district.

15 (4) Prior to submitting the question to the electors, the community college service district must
16 have been in operation for three years, and must have secured the approval of the Higher Education
17 Coordinating Commission to hold the election. Before granting approval, the commission must find:

18 (a) The service district has acquired stability as demonstrated by a continuity of management,
19 regularly adopted policies and procedures and adequate financial resources; and

20 (b) The service district has adopted a sound comprehensive plan that sets out the district's in-
21 structional and capital plans for five years.

22 **SECTION 55.** ORS 341.102 is amended to read:

23 341.102. If the Legislative Assembly approves the recommendation submitted under ORS 341.076,
24 341.565 or 341.579, the Legislative Assembly shall appropriate to the Higher Education Coordinating
25 Commission for the purpose of allocation to the Office of Community Colleges [*and Workforce De-*
26 *velopment*] moneys necessary to pay the expenses of the election under ORS 341.085, 341.565, 341.569
27 or 341.579 (1) if the election is to occur within 24 months of the appropriation or allocation. If the
28 election does not occur within the biennium immediately following the appropriation or allocation,
29 the question shall be brought before the next Legislative Assembly. The state shall fund the election
30 without regard to the outcome of the election.

31 **SECTION 56.** ORS 341.105 is amended to read:

32 341.105. When at the request of the Higher Education Coordinating Commission the county clerk
33 of the principal county, in consultation with county clerks of the affected counties, prepares a list
34 or lists of names and addresses of the electors registered in the proposed district, the Office of
35 Community Colleges [*and Workforce Development*] is authorized to pay the charge as determined
36 under ORS 255.305.

37 **SECTION 57.** ORS 341.440 is amended to read:

38 341.440. (1) A community college district may contract with another community college district,
39 a common or union high school district, an education service district, a public university listed in
40 ORS 352.002, the Oregon Health and Science University, a private educational institution accredited
41 by the Northwest Commission on Colleges and Universities or its successor or a career school as
42 defined in ORS 345.010 to obtain educational services for students enrolled in the community college
43 of the district. However, the educational services so obtained must meet the standards for educa-
44 tional services provided by the college and the contract price to the college for such services must
45 not exceed the costs that would otherwise be incurred by the college to provide its students the

1 same or similar services.

2 (2) Educational services for which a district operating a community college may contract include
3 services offered by correspondence and services offered electronically or through telecommuni-
4 cations if such services are accredited by a nationally recognized accrediting association.

5 (3) For purposes of ORS 341.626, costs incurred under subsection (1) of this section shall be
6 considered operating expenses of the district if the contract is approved by the Director of the Of-
7 fice of Community Colleges [*and Workforce Development*].

8 **SECTION 58.** ORS 341.446 is amended to read:

9 341.446. (1) At the beginning of each school year, the Office of Community Colleges [*and*
10 *Workforce Development*] shall make the following information available for distribution to public
11 school students who are in grades 11 and 12:

12 (a) The academic programs and services provided by community colleges;

13 (b) Recommendations for successful completion of community college programs; and

14 (c) Any other information identified by the office as being necessary to assist students in pre-
15 paring to succeed in community colleges.

16 (2) Representatives of the State Board of Education and the Higher Education Coordinating
17 Commission shall regularly meet for the purpose of improving coordination between public second-
18 ary schools and community colleges.

19 **SECTION 59.** ORS 341.455 is amended to read:

20 341.455. (1) A community college may give credit for courses or programs taken in a career
21 school. The courses or programs for which credit may be given must meet the standards adopted
22 by the Higher Education Coordinating Commission under ORS 345.325, must be taken at a career
23 school domiciled in this state and must be approved for credit by the Director of the Office of
24 Community Colleges [*and Workforce Development*].

25 (2) A community college board may charge a transcripting fee to a student for courses taken
26 at a career school and accepted by the community college under subsection (1) of this section. Such
27 a fee is to be set by the board and is to be consistent with other student fees.

28 (3) Time spent by students on such courses shall not be considered as clock hours of instruction
29 in determining full-time equivalency for purposes of ORS 341.626.

30 **SECTION 60.** ORS 341.487 is amended to read:

31 341.487. (1) Community colleges in Oregon shall admit students from other states at the same
32 tuition rate assessed against Oregon residents who are residents of the community college district
33 if:

34 (a) The state in which the student resides agrees to pay and pays its per capita state aid for
35 comparable students in the state to the community college;

36 (b) The state in which the students reside agrees to permit and permits one-for-one full-time
37 enrollment exchange arrangements that allow an equal number of Oregon residents to be admitted
38 to community colleges or comparable institutions in the state at the same tuition rate assessed
39 against residents of the state and community colleges or comparable institutions in the state in
40 which the students reside agree to admit and admit approved Oregon residents without assessing
41 nonresident tuition; or

42 (c) The board of the community college determines out-of-state residents are essential to pro-
43 viding the critical mass to offer programs that would otherwise be unavailable to Oregon residents.

44 (2) The Higher Education Coordinating Commission shall enter into agreements with such other
45 states as are willing to agree to the provisions of this section to establish reimbursement procedures

1 or one-for-one exchange procedures.

2 (3) In cases described in subsection (1)(a) of this section, the Office of Community Colleges [*and*
3 *Workforce Development*] shall pay from funds available therefor to the state that agrees to pay and
4 does pay its per capita state aid to eligible Oregon community colleges to the credit of the commu-
5 nity college or comparable institution educating the Oregon resident an amount equal to the amount
6 that would be available under ORS 341.626 if the Oregon resident were enrolled in a community
7 college in this state. From these same funds, the Office of Community Colleges [*and Workforce De-*
8 *velopment*] shall pay to the Oregon community colleges admitting approved one-for-one exchange
9 students as provided by subsection (1)(b) of this section, from other states, an amount equal to the
10 amount that would be available under ORS 341.626 as if the enrolled one-for-one students were
11 Oregon residents. The Office of Community Colleges [*and Workforce Development*] shall not reim-
12 burse Oregon community colleges that admit students from other states under subsection (1)(c) of
13 this section.

14 (4) If a state that has entered into the agreement to pay the per capita state aid to eligible
15 Oregon community colleges as described in subsections (1) and (2) of this section does not make any
16 payment agreed to, the agreement terminates after the affected community college notifies the
17 Higher Education Coordinating Commission of the lack of payment. The termination is effective 30
18 days after the commission notifies the appropriate agency of the other state that the agreement is
19 terminated if no payment is received by the end of the academic period for which tuition is assessed
20 and no payment is received at that time. The agreement may be reinstated by mutual consent of the
21 parties.

22 (5) The Higher Education Coordinating Commission shall adopt rules governing attendance in
23 community colleges or comparable institutions in other states for purposes of the reimbursement
24 authorized under subsections (1) and (2) of this section to ensure that Oregon residents shall not be
25 the object of such reimbursement if they can obtain the same education within the state without
26 undue hardship.

27 **SECTION 61.** ORS 341.526 is amended to read:

28 341.526. (1) The Office of Community Colleges [*and Workforce Development*] and the Higher Ed-
29 ucation Coordinating Commission shall jointly establish a grant program for the purpose of distrib-
30 uting moneys to community colleges, or any foundations of community colleges, to increase the
31 number of underserved, low-income and first-generation college-bound students who enroll in com-
32 munity college and make progress toward a degree or a certificate.

33 (2) Moneys distributed under subsection (1) of this section may be used by a community college,
34 or a foundation of a community college, for services that are designed to increase student enroll-
35 ment, retention and degree and certificate completion, including counseling programs, college initi-
36 atives, advising services and assistance in obtaining financial aid.

37 (3) The Higher Education Coordinating Commission may adopt rules necessary for the adminis-
38 tration of this section, including rules that set standards for awarding grants. The standards shall
39 give priority to community colleges, or foundations of community colleges, that have student en-
40 rollment, retention and degree and certificate completion programs with demonstrated support from
41 the private sector, the community and local government.

42 **SECTION 62.** ORS 341.551 is amended to read:

43 341.551. (1) Notwithstanding any provision of ORS chapter 238 or 238A, the Office of Community
44 Colleges [*and Workforce Development*] may establish and administer an optional retirement plan for
45 administrative employees of community college districts who are eligible for membership in the

1 Public Employees Retirement System. Any community college district may participate in the plan
2 by giving written notice to the office.

3 (2) An administrative employee may make an election to participate in the optional retirement
4 plan if the community college district that employs the employee is participating in the plan. The
5 election must be made in the following manner:

6 (a) An administrative employee who is an active member of the Public Employees Retirement
7 System may make an election to participate in the plan within 180 days after the community college
8 district commences participation in the plan, effective on the first day of the month following the
9 election.

10 (b) An administrative employee who is hired after the community college district commences
11 participation in the plan may make an election to participate in the plan within the first six months
12 of employment, effective on the first day of the month following six full months of employment.

13 (3) An administrative employee who does not elect to participate in the optional retirement plan
14 remains or becomes a member of the Public Employees Retirement System in accordance with ORS
15 chapters 238 and 238A.

16 (4) An administrative employee may elect to participate in the optional retirement plan only if
17 at the time the election becomes effective the employee is not concurrently employed in a position
18 with any participating public employer other than the community college district in a position that
19 entitles the employee to membership in the Public Employees Retirement System. Except as pro-
20 vided in subsection (9) of this section, employees who elect to participate in the optional retirement
21 plan are ineligible for active membership in the Public Employees Retirement System for as long as
22 those employees are employed by a community college district that participates in the plan, whether
23 by reason of employment by the district or any other participating public employer.

24 (5)(a) An administrative employee who elects to participate in the optional retirement plan, who
25 has creditable service under ORS chapter 238 as defined by ORS 238.005 and who is not vested shall
26 be considered by the Public Employees Retirement Board to be a terminated member under the
27 provisions of ORS 238.095 as of the effective date of the election, and the amounts credited to the
28 member accounts of the member established under ORS 238.250, 238.260, 238A.350 and 238A.353 shall
29 be transferred directly to the optional retirement plan by the Public Employees Retirement Board
30 in the manner provided by subsection (6) of this section.

31 (b) An administrative employee who elects to participate in the optional retirement plan, who
32 has creditable service under ORS chapter 238 as defined by ORS 238.005 and who is vested shall
33 be considered to be an inactive member by the Public Employees Retirement Board and shall retain
34 all the rights, privileges and options under ORS chapter 238 unless the employee makes a written
35 request to the Public Employees Retirement Board for a transfer of the amounts credited to the
36 member accounts of the member established under ORS 238.250, 238.260, 238A.350 and 238A.353 to
37 the optional retirement plan. A request for a transfer must be made at the time the member elects
38 to participate in the optional retirement plan. Upon receiving the request, the Public Employees
39 Retirement Board shall transfer all amounts credited to the member accounts of the member estab-
40 lished under ORS 238.250, 238.260, 238A.350 and 238A.353 directly to the optional retirement plan
41 in the manner provided by subsection (6) of this section and shall terminate all rights, privileges and
42 options of the employee under the Public Employees Retirement System.

43 (c) An administrative employee who elects to participate in the optional retirement plan and
44 who is a member of the pension program of the Oregon Public Service Retirement Plan as described
45 in ORS 238A.100 on the date that the election becomes effective, but who has not vested in the

1 program under ORS 238A.115 on the date that the election becomes effective, shall be considered
2 to be a terminated member of the Public Employees Retirement System by the Public Employees
3 Retirement Board as of the effective date of the election. The board shall transfer the amounts
4 credited to the member accounts of the member established under ORS 238A.350 and 238A.353 di-
5 rectly to the optional retirement plan in the manner provided by subsection (6) of this section.

6 (d) An administrative employee who elects to participate in the optional retirement plan and
7 who is a vested member of the pension program of the Oregon Public Service Retirement Plan as
8 described in ORS 238A.115 on the date that the election becomes effective shall be considered an
9 inactive member of the pension program by the Public Employees Retirement Board as of the ef-
10 fective date of the election. A member who is subject to the provisions of this paragraph retains all
11 the rights, privileges and options of an inactive member of the pension program, unless the member
12 makes a written request to the Public Employees Retirement Board for a transfer of the amounts
13 credited to the member accounts of the member established under ORS 238A.350 and 238A.353 to the
14 optional retirement plan. The request must be made at the time the member elects to participate in
15 the optional retirement plan. Upon receiving the request, the Public Employees Retirement Board
16 shall transfer the amounts credited to the member accounts of the member established under ORS
17 238A.350 and 238A.353 directly to the optional retirement plan in the manner provided by subsection
18 (6) of this section and shall terminate the membership of the employee in the Public Employees Re-
19 tirement System.

20 (e) Notwithstanding paragraphs (b) and (d) of this subsection, the Public Employees Retirement
21 Board shall not treat any employee as an inactive member under the provisions of this subsection
22 for the purpose of receiving any benefit under ORS chapter 238 or 238A that requires that the em-
23 ployee be separated from all service with participating public employers and with employers who
24 are treated as part of a participating public employer's controlled group under the federal laws and
25 rules governing the status of the Public Employees Retirement System and the Public Employees
26 Retirement Fund as a qualified governmental retirement plan and trust.

27 (6) Any amounts transferred from the Public Employees Retirement Fund under subsection (5)
28 of this section shall be transferred directly to the optional retirement plan by the Public Employees
29 Retirement Board and shall not be made available to the employee.

30 (7) An employee participating in the optional retirement plan shall contribute monthly an
31 amount equal to the percentage of the employee's salary that the employee would otherwise have
32 contributed as an employee contribution to the Public Employees Retirement System if the employee
33 had not elected to participate in the optional retirement plan.

34 (8) A participating community college district shall contribute monthly to the optional retire-
35 ment plan the percentage of salary for each employee participating in the plan that is equal to the
36 percentage of salary that is required to be made as the employer contribution under ORS 238A.220,
37 less any contributions made by reason of unfunded liabilities. The district may make contributions
38 under this subsection only during periods of time in which the employee would be eligible for
39 membership in the Public Employees Retirement System if the employee had not elected to partic-
40 ipate in the optional retirement plan.

41 (9) An administrative employee who elects to participate in the optional retirement plan may
42 make an election to withdraw from the plan. An employee may make an election under this sub-
43 section only once. Upon withdrawing from the plan:

44 (a) All contributions made to the plan before the effective date of the withdrawal remain cred-
45 ited to the employee;

1 (b) The employee becomes a member of the Public Employees Retirement System under ORS
2 chapter 238A if the member meets all requirements for membership under ORS chapter 238A; and

3 (c) The employee is barred from ever again electing to participate in the optional retirement
4 plan.

5 (10) For the purposes of this section, “administrative employee” means a president, vice presi-
6 dent or dean, or a person holding a position that is the equivalent of a president, vice president or
7 dean.

8 **SECTION 63.** ORS 341.626 is amended to read:

9 341.626. (1) Subject to rules adopted by the Higher Education Coordinating Commission and to
10 ORS 291.232 to 291.260, the Director of the Office of Community Colleges [*and Workforce Develop-*
11 *ment*] shall distribute state aid to each community college district and community college service
12 district.

13 (2) The rules adopted by the commission shall provide:

14 (a) No state aid for hobby and recreation classes;

15 (b) Procedures for proper and accurate record keeping;

16 (c) Procedures that will ensure reasonable year-to-year stability in the delivery of appropriated
17 moneys to the colleges; and

18 (d) Procedures to ensure that the full state appropriation is distributed to the colleges.

19 **SECTION 64.** ORS 341.655 is amended to read:

20 341.655. (1) As used in this section, “approved expenses” means the operating expenses of com-
21 munity college districts for career and technical education programs that have been approved by the
22 Director of the Office of Community Colleges [*and Workforce Development*].

23 (2) Federal moneys received for purposes of reimbursing community college districts for career
24 and technical education programs may be used by the districts to pay approved expenses.

25 **SECTION 65.** ORS 341.665 is amended to read:

26 341.665. (1) The receiving community college shall be awarded funds from the contracted out-
27 of-district funds allocated to the Office of Community Colleges [*and Workforce Development*] if the
28 college operates the program under a contract with an apprenticeship training committee and the
29 contract is approved by the office.

30 (2) A community college district may submit full-time equivalencies generated by apprenticeship
31 programs to the office for reimbursement from the Community College Support Fund for purposes
32 of ORS 341.626 but may not submit for reimbursement those full-time equivalencies generated
33 through contracts under subsection (1) of this section.

34 **SECTION 66.** ORS 341.670 is amended to read:

35 341.670. (1) The community college districts of this state shall use the same system for reporting
36 finances.

37 (2) The Office of Community Colleges [*and Workforce Development*] shall:

38 (a) Select the system, which may be an existing system; and

39 (b) Provide guidelines for implementation of the system.

40 (3) The system selected by the office shall include uniform identification of:

41 (a) Funds;

42 (b) Revenues by source; and

43 (c) Expenditures by function and object classification, as that term is defined in ORS 294.311.

44 (4) The office shall place data gathered from the system on the website of the office to ensure
45 timely access to the information by the public.

SECTION 67. ORS 344.070 is amended to read:

344.070. (1) The Oregon Department of Administrative Services may draw warrants upon any state fund to which federal funds for training or education have been credited, in payment of vouchers approved by the Superintendent of Public Instruction or the Director of the Office of Community Colleges [*and Workforce Development*] pursuant to rules of the Higher Education Coordinating Commission, in favor of school districts, education service districts and community college districts, for such sums, not exceeding \$100,000 for a single district in the aggregate, as the commission, by rule, shall determine. The warrants, upon delivery to the districts, shall constitute advances from state funds to enable the districts more readily to effectuate the purposes set forth in any federal law or regulation pertaining to career and technical education or other education or training sponsored by the federal government.

(2) The districts to which moneys are advanced shall be responsible for the full repayment to the state of all sums advanced. The advances are not within any limitation upon indebtedness prescribed by law for districts. The moneys advanced to districts may not exceed in the aggregate the moneys to the credit of the state fund from which they are paid, and shall constitute advances to the recipient district in anticipation of verified vouchers to be supplied therefor. The advances are to be used as revolving funds for the payment of the costs of career and technical education programs, including but not limited to job training, skill development and academic programs offered by youth job development organizations as defined in ORS 344.415. The advances shall be made only in those cases in which the federal government defrays all or part of the cost of such programs.

SECTION 68. ORS 344.080 is amended to read:

344.080. (1) All reimbursement vouchers for claims paid from the revolving funds described in ORS 344.070 shall be approved by the Superintendent of Public Instruction or the Director of the Office of Community Colleges [*and Workforce Development*] pursuant to rules of the Higher Education Coordinating Commission. When vouchers are so approved, warrants covering the same shall be drawn by the Oregon Department of Administrative Services, payable from the appropriate fund, and be used to reimburse the revolving funds.

(2) The districts receiving the advances shall maintain their accounts and records so as to disclose at all times the true status of the unpaid vouchers issued for the reimbursement of the funds, the district warrants drawn against the funds advanced and the balances to the credit of the funds.

(3) The revolving funds and accounts shall be subject to examination and audit by the state in the manner provided by law for other state funds and accounts. The commission may require an audit of the revolving accounts and shall take proper precautions as to the safety of, and accountability for, all funds advanced.

(4) The commission may require the filing with it of a bond of a corporate surety duly licensed to transact business in this state to ensure the proper handling of and responsibility for any funds advanced. The bond shall be cumulative and supplemental to fidelity insurance coverage already held by the district concerned. The state may have recourse to any and all fidelity bonds of clerks or other financial officers of the district to protect such advances.

SECTION 69. ORS 344.090 is amended to read:

344.090. When it appears to the Superintendent of Public Instruction or the Director of the Office of Community Colleges [*and Workforce Development*] that the training and educational programs for which funds are advanced under ORS 344.070 have been completed, or that the need for the advances or revolving funds no longer exists, or that the sums advanced are not being properly handled or accounted for, the superintendent or director may require that all or part of the amounts

1 advanced to any district shall be returned, with any interest earned, to the state funds or accounts
2 from which the amounts originally were withdrawn. Upon receipt of notification from the super-
3 intendent or director that funds advanced are to be returned, the district concerned shall imme-
4 diately repay the same to the State Treasurer, for credit to the proper fund or account. To the
5 extent that funds advanced are so repaid, security or protection theretofore required by the Higher
6 Education Coordinating Commission under ORS 344.080 (4) to ensure the safety of such funds may
7 be released.

8 **SECTION 70.** ORS 344.125 is amended to read:

9 344.125. (1) Representatives from the Department of Education, the Office of Community Col-
10 leges [*and Workforce Development*] and the Bureau of Labor and Industries shall meet at least four
11 times each year for the purpose of promoting collaboration among the agencies on issues related to
12 career and technical education.

13 (2) Issues to be addressed by the agencies shall include the development and implementation of
14 long-term goals that:

15 (a) Ensure that career and technical education programs are available at the public schools of
16 this state and through youth job development organizations as defined in ORS 344.415, are founded
17 on partnerships with business and industry and receive appropriate investments of time, money and
18 other resources.

19 (b) Develop regional centers that establish any appropriate partnerships between public schools,
20 community colleges, public universities, businesses, unions and other entities and that ensure that
21 every student of this state has access to a regional center in person or online.

22 (c) Encourage the establishment of joint high school and community college advisory committees
23 that may include representatives of public schools, community colleges, public universities, busi-
24 nesses and unions to:

25 (A) Make more effective use of resources;

26 (B) Promote articulation and pathways between high school programs and post-secondary school
27 programs;

28 (C) Ensure that current industry workforce needs are considered and that curriculum is kept
29 current with state standards; and

30 (D) Increase opportunities for internships, apprenticeships and other opportunities that may lead
31 to employment in the region.

32 (d) Address academic requirements and regulatory barriers that inhibit successful movement of
33 students in career and technical education from high schools to post-secondary school programs and
34 the workforce.

35 (e) Implement accelerated college credit programs that allow students to move seamlessly from
36 public schools to post-secondary education or training to the workforce.

37 (f) Increase professional development opportunities for teachers and learning opportunities for
38 students through industry mentorships, internships, summer programs, after-school programs and
39 career-based student leadership opportunities.

40 (g) Establish partnerships between public and private entities for the purpose of educating stu-
41 dents, parents, teachers, school advisors, policymakers and the general public about the benefits and
42 opportunities related to career and technical education.

43 (3) The agencies identified in subsection (1) of this section shall make a joint report by Decem-
44 ber 31 of each year to the appropriate legislative committees concerning progress on the develop-
45 ment and implementation of the goals described in subsection (2) of this section and may submit

1 recommendations for legislation that will promote opportunities related to career and technical ed-
 2 ucation.

3 **SECTION 71.** ORS 353.606 is amended to read:

4 353.606. (1) There is created the Oregon Nursing Shortage Coalition Committee.

5 (2) The committee consists of 10 members, as follows:

6 (a) Two members who represent the Oregon State Board of Nursing appointed by the board.

7 (b) Two members who represent the Northwest Organization of Nurse Executives appointed by
 8 the Oregon State Board of Nursing from a list of persons submitted to the board by the Northwest
 9 Organization of Nurse Executives.

10 (c) Two members who represent the Oregon Nurses Association appointed by the Oregon State
 11 Board of Nursing from a list of persons submitted to the board by the Oregon Nurses Association.

12 (d) One member appointed by the Oregon State Board of Nursing who represents Oregon-based,
 13 generally accredited, not-for-profit private institutions of higher education from a list of persons
 14 submitted to the board by the Oregon Independent Colleges Association.

15 (e) Two members appointed by the Director of the Office of Community Colleges [*and Workforce*
 16 *Development*] from a list of persons submitted to the director by the Oregon Community College
 17 Association.

18 (f) One member who represents Oregon Health and Science University appointed by the uni-
 19 versity.

20 (3) When appointing members to the committee, the Oregon State Board of Nursing, the Director
 21 of the Office of Community Colleges [*and Workforce Development*] and Oregon Health and Science
 22 University shall ensure that there is at least one member from each of the following areas of the
 23 state:

24 (a) Rural western Oregon.

25 (b) Coastal Oregon.

26 (c) Eastern Oregon.

27 (d) Urban areas.

28 (4) The term of office of each member is four years, but a member serves at the pleasure of the
 29 appointing authority. Before the expiration of the term of a member, the appointing authority shall
 30 appoint a successor whose term begins on July 1 next following. A member is eligible for reap-
 31 pointment. If there is a vacancy for any cause, the appointing authority shall make an appointment
 32 to become immediately effective for the unexpired term.

33 (5) The committee shall elect one of its members to serve as chairperson and another to serve
 34 as vice chairperson, for the terms and with the duties and powers necessary for the performance
 35 of the functions of such offices as the committee determines.

36 (6) The committee shall meet at times and places specified by the call of the chairperson or of
 37 a majority of the members of the committee.

38 (7) A majority of the members of the committee constitutes a quorum for the transaction of
 39 business.

40 (8) Members of the committee are entitled to actual and necessary travel expenses in the man-
 41 ner and amounts provided for in ORS 292.495. Claims for expenses incurred in performing functions
 42 of the committee shall be paid out of funds received by Oregon Health and Science University for
 43 that purpose.

44 (9) Oregon Health and Science University shall provide staff support to the committee.

45 **SECTION 72.** ORS 408.506 is amended to read:

1 408.506. The Department of Human Services, the Department of Transportation, the Housing and
2 Community Services Department, the Employment Department, the Department of Justice, the Ju-
3 dicial Department, public universities listed in ORS 352.002, the Bureau of Labor and Industries, the
4 Office of Community Colleges [*and Workforce Development*] and the Department of Veterans' Affairs
5 shall partner with the Oregon Military Department to provide reintegration services for veterans
6 throughout this state through regional strategies.

7 **SECTION 73.** ORS 413.600 is amended to read:

8 413.600. (1) There is established within the Oregon Health Authority the Traditional Health
9 Workers Commission.

10 (2) The Director of the Oregon Health Authority shall appoint the following 24 members to serve
11 on the commission:

12 (a) Fourteen members, of which a majority must be appointed from nominees selected by the
13 Oregon Community Health Workers Association, who represent traditional health workers, including
14 at least one member to represent each of the following:

15 (A) Community health workers, as defined in ORS 414.025;

16 (B) Personal health navigators, as defined in ORS 414.025;

17 (C) Peer wellness specialists, as defined in ORS 414.025;

18 (D) Peer support specialists, as defined in ORS 414.025;

19 (E) Doulas;

20 (F) Family support specialists, as defined in ORS 414.025;

21 (G) Youth support specialists, as defined in ORS 414.025; and

22 (H) Tribal traditional health workers, as defined in ORS 414.025;

23 (b) One member who represents the Office of Community Colleges [*and Workforce*
24 *Development*];

25 (c) One member who is a nurse who represents the Oregon Nurses Association;

26 (d) One member who is a physician licensed in this state;

27 (e) One member selected from nominees provided by the Home Care Commission;

28 (f) One member who represents coordinated care organizations;

29 (g) One member who represents a labor organization;

30 (h) One member who supervises traditional health workers at a community-based organization,
31 local health department, as defined in ORS 433.235, or agency, as defined in ORS 183.310;

32 (i) One member who represents community-based organizations or agencies, as defined in ORS
33 183.310, that provide for the training of traditional health workers;

34 (j) One member who represents a consumer of services provided by health workers who are not
35 licensed by this state; and

36 (k) One member who represents providers of Indian health services that work with traditional
37 health workers qualified under ORS 414.665, a federally recognized tribe or a tribal organization.

38 (3) In appointing members under subsection (2) of this section, the director shall consider
39 whether the composition of the Traditional Health Workers Commission represents the geographic,
40 ethnic, gender, racial, disability status, gender identity, sexual orientation and economic diversity
41 of traditional health workers.

42 (4) The term of office of each member of the commission is three years, but a member serves
43 at the pleasure of the director. Before the expiration of the term of a member, the director shall
44 appoint a successor whose term begins on January 1 next following. A member is eligible for re-
45 appointment. If there is a vacancy for any cause, the director shall make an appointment to become

1 immediately effective for the unexpired term.

2 (5) A majority of the members of the commission constitutes a quorum for the transaction of
3 business.

4 (6) Official action by the commission requires the approval of a majority of the members of the
5 commission.

6 (7) The commission shall elect one of its members to serve as chairperson.

7 (8) The commission shall meet at times and places specified by the call of the chairperson or
8 of a majority of the members of the commission.

9 (9) The commission may adopt rules necessary for the operation of the commission.

10 (10) A member of the commission is entitled to compensation and expenses as provided in ORS
11 292.495.

12 **SECTION 74.** ORS 417.799 is amended to read:

13 417.799. (1) The Department of Human Services is responsible for coordinating statewide plan-
14 ning for delivery of services to runaway and homeless youth and their families.

15 (2) The department shall recommend policies that integrate a system of services and support for
16 runaway and homeless youth into the state's continuum of care for children who are 0 through 17
17 years of age. The department shall recommend policies for a system of services and support for
18 youth who are 18 through 20 years of age and who continue to be or who become homeless.

19 (3) The department may work with the Youth Development Division, the Employment Depart-
20 ment, the Housing and Community Services Department, the Office of Community Colleges [*and*
21 *Workforce Development*], **the Office of Workforce Development**, the Department of Education and
22 the Oregon Youth Authority to develop a comprehensive and coordinated approach for services and
23 support for runaway and homeless youth and their families, including youth who are 18 through 20
24 years of age and who continue to be or who become homeless.

25 (4) In addition to the entities listed in subsection (3) of this section, the department shall include
26 representatives of youth, nonprofit organizations and statewide coalitions related to runaway and
27 homeless youth services and supports, including services and supports for youth who are 18 through
28 20 years of age and who continue to be or who become homeless, in the joint process described in
29 subsection (3) of this section.

30 (5) The department may enter into and renew contracts with providers for the provision of ser-
31 vices to runaway and homeless youth and their families, including services to youth who are 18
32 through 20 years of age and who continue to be or who become homeless.

33 (6) The department shall appoint an advisory committee to advise the department with respect
34 to policies and procedures to coordinate statewide planning for delivery of services to runaway and
35 homeless youth and their families. The advisory committee shall meet with and advise the depart-
36 ment on a regular basis, provide the department with information regarding the status of existing
37 services and make recommendations for improvements and additional services. The department shall
38 include as members of the advisory committee stakeholders with expertise in housing, mental health
39 and addictions, sex trafficking, child welfare and law enforcement.

40 (7) The department shall report annually on or before September 15 of each year to the interim
41 legislative committees on child welfare regarding the status of the system of services and support
42 for runaway and homeless youth developed by the department, and the advice and information pro-
43 vided by the advisory committee appointed by the department, pursuant to this section.

44 **SECTION 75.** ORS 421.084 is amended to read:

45 421.084. (1) The Administrator of Correctional Education shall administer an adult basic skills

1 development program for all individuals in the custody of the Department of Corrections. The pro-
 2 gram shall:

3 (a) Test individuals for basic reading and mathematics skills or, for individuals with limited
 4 English language proficiency, English speaking skills. Testing for basic intelligence, learning disa-
 5 bilities, developmental disabilities and adaptive behavior skills shall be administered as needed ex-
 6 cept that the administrator may accept equivalent test results from other sources.

7 (b) Except as provided in subsection (2) of this section, be mandatory for all individuals testing
 8 below a 8.0 grade equivalency on a standardized reading test approved by the National Reporting
 9 System for Adult Education of the United States Department of Education and by the Adult Basic
 10 Skills Program of the Office of Community Colleges [*and Workforce Development*].

11 (c) Provide progress testing and certification.

12 (d) Provide strong incentives for entering the program and for achieving the minimum reading
 13 level and, for those individuals with demonstrated ability, provide incentives for making progress
 14 toward earning a certificate for passing an approved high school equivalency test such as the Gen-
 15 eral Educational Development (GED) test.

16 (e) Maintain records of an individual’s achievement in the program and make those records
 17 available to the State Board of Parole and Post-Prison Supervision.

18 (2) Testing for basic skills and participation in the adult basic skills development program are
 19 not required for adults in custody:

20 (a) Sentenced to or otherwise confined by the department for less than one year;

21 (b) Sentenced to life imprisonment without parole;

22 (c) Sentenced to death;

23 (d) With developmental disabilities; or

24 (e) Who are specifically exempted by the Department of Corrections for security or health rea-
 25 sons.

26 **SECTION 76.** ORS 350.432 is amended to read:

27 350.432. (1) As used in this section, “public institution of higher education” has the meaning
 28 given that term in ORS 350.350.

29 (2)(a) Each public institution of higher education must have the same developmental educational
 30 requirements and require the same placement tests for each subject area for:

31 (A) An incoming student who has completed high school and who the institution determines is
 32 college ready; and

33 (B) An incoming student who has:

34 (i) Received a certificate for passing an approved high school equivalency test such as the
 35 General Educational Development (GED) test as provided in ORS 350.175; and

36 (ii) Received a grade indicating that the student is college ready.

37 (b) A student shall be considered college ready in a subject area in which the student has re-
 38 ceived a score designated “GED College Ready” on a General Educational Development (GED) test
 39 for which the Director of the Office of Community Colleges [*and Workforce Development*] has issued
 40 a certificate under ORS 350.175.

41 (3) The Higher Education Coordinating Commission may adopt rules to implement this section.

42
 43 **OREGON WORKFORCE CORPS**

44
 45 **SECTION 77. (1) Subject to the availability of funds, there is created the Oregon**

1 Workforce Corps that shall provide workforce development and employment programs. The
 2 corps shall be headed by a program director and shall be administered through the Bureau
 3 of Labor and Industries.

4 (2) Upon implementation of subsection (1) of this section, there shall be created the
 5 Oregon Workforce Corps Advisory Board to consist of nine members, three to be appointed
 6 by the President of the Senate, three to be appointed by the Speaker of the House of Rep-
 7 resentatives and three public members to be appointed by the Governor.

8 (3) Board members may receive reimbursement of necessary and actual expenses under
 9 ORS 292.495 (2), but may not receive compensation under ORS 292.495 (1) or otherwise for
 10 participation as a board member.

11 (4) Board members may be removed by the appointing authority. Vacancies shall be filled
 12 by the appointing authority. Board members shall serve for a term of three years and may
 13 be reappointed for an additional consecutive term.

14 (5) The advisory board shall advise the program director on the implementation of
 15 sections 77 to 79 of this 2025 Act.

16 **SECTION 78.** (1) In consultation with the Oregon Workforce Corps Advisory Board and
 17 the Director of the Office of Workforce Development, or the designee of the director, the
 18 program director of the Oregon Workforce Corps shall establish eligibility criteria for par-
 19 ticipants in the corps’s workforce development and employment programs. The program di-
 20 rector may not establish any criteria that would render the programs ineligible for federal
 21 funds. Participants shall be lawful permanent residents of this state.

22 (2) The program director, in consultation with the Director of the Office of Workforce
 23 Development, or the designee of the director, may take the following actions, including but
 24 not limited to:

25 (a) Applying for and accepting grants or contributions of funds from any public or private
 26 source;

27 (b) Making agreements with any local, state or federal agency to utilize any service,
 28 material or property of any such agency, where the agreements are considered reasonable
 29 and necessary; and

30 (c) Purchasing or contracting for necessary private services, equipment, materials and
 31 property, if needed to carry out the projects approved for and undertaken by the corps.

32 (3) The Bureau of Labor and Industries may adopt all necessary rules to carry out the
 33 purposes and objectives of the programs and to regulate the standards of conduct and other
 34 operating guidelines for program participants and other personnel.

35 (4) Program participants are exempt from:

36 (a) State Personnel Relations Law; and

37 (b) ORS 279C.800 to 279C.870.

38 **SECTION 79.** (1) The programs established under sections 77 to 79 of this 2025 Act shall
 39 provide selected participants with paid workforce development and employment opportu-
 40 nities:

41 (a) In the areas of:

42 (A) Agriculture, fisheries and forestry;

43 (B) Natural resources sustainability; or

44 (C) Technology innovation.

45 (b) Of at least three but not more than 12 months’ duration.

1 (2) To the extent practicable, the program director of the Oregon Workforce Corps shall
2 enlist state and federal agencies, local government, nonprofit organizations and private
3 businesses, and any combination of such entities, to act as sponsors for programs adminis-
4 tered under sections 77 to 79 of this 2025 Act. Selection of sponsors shall be based on criteria
5 that include the following:

6 (a) The availability of other resources on a matching basis, including contributions from
7 private sources, other federal, state and local agencies, and moneys available through the
8 federal Workforce Innovation and Opportunity Act;

9 (b) The provision of related educational and job training programs to participants, in-
10 cluding but not limited to school and college coursework, training for approved high school
11 equivalency tests such as the General Educational Development (GED) test, project-related
12 education and professional training; and

13 (c) Assurances that proposed projects will not displace existing employees or duplicate
14 existing private or government programs.

15 (3) In consultation with the Oregon Workforce Corps Advisory Board, the program di-
16 rector shall make grants for programs administered under this section.

17 **SECTION 80.** Notwithstanding the term of office specified by section 77 of this 2025 Act,
18 of the members first appointed to the Oregon Workforce Corps Advisory Board:

19 (1) Three shall serve for a term ending June 30, 2027.

20 (2) Three shall serve for a term ending June 30, 2028.

21 (3) Three shall serve for a term ending June 30, 2029.

22
23 **OPERATIVE DATE**

24
25 **SECTION 81.** The Director of the Office of Workforce Development may be appointed
26 before the operative date specified in section 82 of this 2025 Act. The Bureau of Labor and
27 Industries, the Higher Education Coordinating Commission, the Office of Community Col-
28 leges and Workforce Development and the Director of the Office of Workforce Development
29 may take any action before that date that is necessary to enable the bureau, the commission,
30 the office and the director to exercise, on and after the operative date specified in section
31 82 of this 2025 Act, the duties, functions and powers conferred on the bureau, the commis-
32 sion, the office and the director by sections 1 to 10, 41, 42 and 77 to 80 of this 2025 Act and
33 the amendments to statutes by sections 11 to 40 and 43 to 76 of this 2025 Act.

34 **SECTION 82.** Sections 1 to 10, 41, 42 and 77 to 80 of this 2025 Act and the amendments
35 to statutes by sections 11 to 40 and 43 to 76 of this 2025 Act become operative on July 1, 2026.

36
37 **CAPTIONS**

38
39 **SECTION 83.** The unit captions used in this 2025 Act are provided only for the conven-
40 ience of the reader and do not become part of the statutory law of this state or express any
41 legislative intent in the enactment of this 2025 Act.

42
43 **EFFECTIVE DATE**

44
45 **SECTION 84.** This 2025 Act takes effect on the 91st day after the date on which the 2025

1 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**

2
