

A-Engrossed House Bill 3029

Ordered by the House April 14
Including House Amendments dated April 14

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Tina Kotek for Higher Education Coordinating Commission)

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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes new laws with respect to workforce development programs and projects. (Flesch Readability Score: 63.4).

Makes changes to workforce development statutes to improve alignment across workforce development programs and projects.

Requires the Higher Education Coordinating Commission to develop a program to convene local industry sector partnerships.

Requires the State Workforce and Talent Development Board to consult with local workforce development boards and relevant state agencies to establish a definition for the term "public workforce system."

Requires the State Workforce and Talent Development Board to establish criteria for identifying critical workforce shortages and strategic workforce opportunities and requires the board and local workforce development boards to identify such shortages and opportunities based on the criteria established by the board. Incorporates the identification of and responsiveness to critical workforce shortages and strategic workforce opportunities as an objective for various workforce programs in key industry sectors.

Renames the Prosperity 10,000 Program as the Prosperity Program. Requires the Higher Education Coordinating Commission to award grants to local workforce development boards to administer the program.

Makes changes concerning term limits for members appointed to the Oregon Youth Works Advisory Board.

A BILL FOR AN ACT

Relating to workforce development; creating new provisions; amending ORS 418.650, 418.653, 418.657, 418.660, 418.663, 476.694, 660.300, 660.318, 660.320, 660.324, 660.327, 660.380, 660.385, 660.400, 660.405 and 660.410; and repealing ORS 418.658 and 476.696.

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

WORKFORCE DEVELOPMENT

SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS 660.300 to 660.420.

SECTION 2. (1) As used in this section:

(a) "Local industry sector partnership" means a collaboration between local businesses and regional workforce partners that is reflective of local key industries facing critical workforce shortages or increased strategic workforce opportunities.

(b) "Regional workforce partners" includes community-based organizations, educational institutions, labor organizations, economic development agencies, local governments, trade organizations and other workforce service providers.

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.

(2) The Higher Education Coordinating Commission shall, in consultation with the State Workforce and Talent Development Board, develop a program to award grants to local workforce development boards to convene local industry sector partnerships to assist in carrying out the activities described under this section.

(3) Program grant proceeds may be used solely to:

(a) Align workforce development activities that aim to increase participation in workforce programs by individuals from priority populations in a manner that is consistent with and responsive to critical workforce shortages and strategic workforce opportunities;

(b) Develop structured processes to address mutual workforce development goals and promote consensus in decision-making;

(c) Identify industry-specific workforce needs in local workforce development areas, including the need for high-value credentials, to inform the development and implementation of culturally and linguistically diverse workforce education and training curricula;

(d) Develop targeted recruitment strategies to increase equitable participation by individuals from priority populations in local workforce programs; and

(e) Promote workforce development programs and activities in targeted industry sectors.

(4) Grant proceeds shall be distributed according to a formula determined by the commission by rule.

(5) In convening local industry sector partnerships under this section, local workforce development boards shall:

(a) Consider alignment of workforce development programs among statewide targeted key industries to address critical workforce shortages and strategic workforce opportunities.

(b) Ensure that each partnership represents a single targeted industry sector.

(c) Demonstrate how the local industry sector partnership complements the workforce development goals of local workforce partners and is consistent with a local plan described in ORS 660.327.

(6) The commission may adopt any rules necessary to carry out the provisions of this section.

SECTION 3. ORS 660.300 is amended to read:

660.300. As used in ORS 660.300 to 660.420:

(1) “Chief elected official” means a county commissioner, a county judge or the mayor of the City of Portland.

(2) “Critical workforce shortage” means a current or projected shortage of workers within an occupation or industry considered to be critical to the well-being of the communities and economy of Oregon.

[(2)] (3) “Federal Act” or “federal Workforce Innovation and Opportunity Act” means the federal Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.).

[(3)] (4) “Local workforce development area” means the City of Portland or a county when the city or county has been designated as a local workforce development area under ORS 660.324. “Local workforce development area” may include two or more counties that have joined together to form a local workforce development area and that have been designated as a local workforce development area under ORS 660.324.

[(4)] (5) “Local workforce development board” means a board established pursuant to section 3122 of the federal Workforce Innovation and Opportunity Act.

[(5)] (6) “Maritime sector” includes but is not limited to:

(a) Enterprises engaged in the design, construction, manufacture, acquisition, operation, supply, repair or maintenance of marine vessels or component parts of marine vessels;

(b) Enterprises engaged in managing or operating shipping lines;

(c) Customs brokerage services, shipyards, shipping and freight forwarding services, dry docks, marine railways and marine repair shops;

(d) Enterprises engaged in commercial or recreational fishing;

(e) Enterprises and academic institutions engaged in scientific research of ocean processes, marine life or other ocean resources; and

(f) Enterprises engaged in marine tours or travel, water sports or other marine leisure activities.

[(6)] (7) "Participant" means a person receiving services under the federal Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.).

[(7)] (8) "Participant records" means records relating to matters such as grades, conduct, personal and academic evaluations, results of psychometric testing, counseling, disciplinary actions, if any, and other personal matters.

[(8)] (9) "Priority populations" means:

(a) Communities of color;

(b) Women;

(c) Low-income communities;

(d) Rural and frontier communities;

(e) Veterans;

(f) Persons with disabilities;

(g) Incarcerated and formerly incarcerated individuals;

(h) Members of Oregon's nine federally recognized Indian tribes;

(i) Individuals who disproportionately experience discrimination in employment on the basis of age; *[and]*

(j) Individuals who identify as members of the LGBTQ+ community[.]; **and**

(k) Individuals who are from immigrant and refugee communities.

[(9)] (10) "State workforce agencies" means state agencies that administer workforce programs.

(11) "Strategic workforce opportunity" means an opportunity to:

(a) Grow, strengthen and diversify workforce participation in a particular industry;

(b) Advance the overall economic mobility and well-being of Oregonians; and

(c) Respond to a workforce development investment or initiative undertaken for the purpose of achieving significant economic and community gains in Oregon.

[(10)] (12) "Workforce development" means services designed to help individuals attain employment and progress along career pathways and to help businesses better achieve business goals by more easily finding skilled employees. "Workforce development" includes:

(a) Education and training services;

(b) Apprenticeship and preapprenticeship training programs registered with the State Apprenticeship and Training Council;

(c) Labor market analysis;

(d) Employment and reemployment services;

(e) Employee recruitment and retention services; and

(f) Convening, coordinating, oversight and evaluation services for business and state workforce agencies.

[(11)] (13) "Workforce programs" means programs that have a primary mission of helping indi-

viduals become employed, retain employment, increase wages and progress along career pathways and that are responsible for outcomes related to the primary mission.

SECTION 4. ORS 660.324 is amended to read:

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

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

(b) In collaboration with workforce representatives, needs for education, training, work experience, and job preparation to ensure Oregonians access to stable high-wage jobs and employment advancement; *[and]*

(c) Opportunities for partnerships with key industry sectors to coordinate workforce development, economic development and education in response to industry and workforce needs[.]; **and**

(d) Critical workforce shortages and strategic workforce opportunities based on criteria established by the board.

(2) The board shall assist the Governor in:

(a) Developing Oregon's workforce development system;

(b) Ensuring timely consultation and collaboration with chief elected officials, local workforce development boards and other workforce stakeholders, including but not limited to business and labor organizations and organizations working with persons with disabilities, persons living at or below 100 percent of the federal poverty guidelines and the chronically unemployed and underemployed;

(c) Reviewing and approving local workforce plans;

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

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

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

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

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

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

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

(3) The State Workforce and Talent Development Board, in partnership with the Governor, shall establish criteria for use by chief elected officials in appointing members to local workforce development boards in accordance with the requirements of section 3122 of the federal Workforce Innovation and Opportunity Act. The State Workforce and Talent Development Board shall establish the following requirements:

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

of the members participating must be representatives of business.

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

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

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

(b) Permit each local workforce development board, in consultation with its chief elected officials:

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

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

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

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

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

(b) Collaborate with other advisory bodies also tasked with workforce development, including but not limited to the Oregon State Rehabilitation Council, the Commission for the Blind, the State Apprenticeship and Training Council and the Higher Education Coordinating Commission;

(c) Work with the Oregon Business Development Commission to identify areas of common interest to efficiently align resources, recommend common strategies and provide accountability for reaching statewide goals; *[and]*

(d) Hold state workforce agencies and local workforce development boards accountable for meeting performance goals and system outcomes[.]; **and**

(e) Collaborate with the Oregon Business Development Department, the Employment Department, local workforce development boards and other partners from training or workforce development entities in this state to establish criteria for identifying critical workforce shortages and strategic workforce opportunities.

(7) The State Workforce and Talent Development Board shall convene, engage and coordinate

with senior executives of identified key industries in this state, the Oregon Business Development Commission, the Higher Education Coordinating Commission, the Department of Education, the Bureau of Labor and Industries, the STEM Investment Council, local workforce development boards, the Employment Department, the Department of Human Services, the Commission for the Blind, the Youth Development Council and any other partners from training or workforce development entities in this state to:

(a) Determine needs across identified key industries in this state, including challenges and opportunities in developing and growing relevant talent pipelines;

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

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

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

(C) Prediction and monitoring of national trends relating to high-demand industries and occupations;

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

(E) Skills assessments; and

(F) Academic career counseling;

(c) Utilize sector partnerships to:

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

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

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

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

(8) The State Workforce and Talent Development Board shall, in consultation with local workforce development boards and relevant state agencies, establish a definition for the term “public workforce system.”

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

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

(A) A strategy, with quantitative goals, for the statewide workforce development system for the State of Oregon in accordance with section 3111 of the federal Workforce Innovation and Opportunity Act;

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

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

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

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

(F) Information regarding the status of career pathway programs targeted at identified key industries in this state;

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

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

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

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

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

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

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

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

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

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

(A) Update the plan every biennium; and

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

(i) The Governor; and

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

SECTION 5. ORS 660.327 is amended to read:

660.327. In accordance with section 3122 of the federal Act, each local workforce development board shall:

(1) Consistent with section 3123 of the federal Act, in partnership with the chief elected official for the local area involved, develop and submit a local plan to the Governor. The local plan must:

(a) Be developed by the local workforce development board with local workforce partners;

(b) Identify critical workforce shortages and strategic workforce opportunities in local key industries, based on criteria established by the State Workforce and Talent Development Board;

[(b)] (c) Identify strategies and outcomes that the local workforce development board will implement in the local workforce development area that are consistent with and responsive to critical workforce shortages and strategic workforce opportunities as identified by the local workforce development board under this section and the State Workforce and Talent Development Board under ORS 660.324;

(d) Address how the local plan aligns with the goals of youth workforce development programs, including:

(A) Projects selected under ORS 418.650 to 418.663.

(B) Programs administered by the Higher Education Coordinating Commission, including but not limited to:

(i) **The Oregon Youth Employment Program created under ORS 660.353; and**

(ii) **The Oregon Conservation Corps Program established under ORS 476.694.**

[(c)] (e) Make all parties to the local plan accountable for carrying out the strategies and achieving the outcomes identified in the local plan; and

[(d)] (f) Be submitted to and approved by the State Workforce and Talent Development Board.

(2) Consistent with section 3151(d) of the federal Act, with the agreement of the chief elected official, designate or certify one-stop operators as described in section 3151(d)(2)(A) of the federal Act and may terminate for cause the eligibility of such operators.

(3) Consistent with section 3153 of the federal Act, identify eligible providers of youth activities in the local area and award grants or contracts on a competitive basis to those providers, based on recommendations of a youth council.

(4) Consistent with section 3152 of the federal Act, identify eligible providers of training services described in section 3174(d)(4) of the federal Act.

(5) Subject to the approval of the chief elected official, develop a budget for the purpose of carrying out the duties of the local workforce development board under section 3122 of the federal Act.

(6) In partnership with the chief elected official, provide oversight of local programs of youth activities authorized under section 3164 of the federal Act, local employment and training activities authorized under section 3174 of the federal Act and the one-stop delivery system in the local area.

(7) With the chief elected official and the Governor, negotiate and reach agreement on local performance measures as described in section 3141(c) of the federal Act.

(8) Coordinate the workforce development activities authorized under the federal Act and carried out in the local area with economic development strategies and develop other employer linkages with such activities.

(9) Promote the participation of private sector employers in the statewide workforce development system and ensure the effective provision, through the system, of connecting, brokering and coaching activities, through intermediaries such as the one-stop operator in the local area or through other organizations, to assist such employers in meeting hiring needs.

SECTION 6. ORS 660.380 is amended to read:

660.380. (1) The Prosperity [10,000] Program is established in the Higher Education Coordinating Commission. **From funds appropriated to the commission for the program, the commission shall award grants to local workforce development boards to administer the program** for the following purposes:

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

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

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

(d) To support targeted recruitment and engagement efforts.

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

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

[(b)] (a) Improve the capacity and responsiveness of the public workforce system in this state by providing assistance for workforce development program navigation, expanding access to community-based career counseling and wraparound supports and services, and providing opportunities to earn industry-recognized certificates, credentials and degrees through work-based learning

1 experiences;

2 [(c)] (b) Ensure that services and benefits available through workforce programs are provided
3 to individuals from priority populations;

4 [(d)] (c) Provide increased access for priority populations to services and benefits available
5 through workforce programs;

6 [(e)] (d) Ensure that at least 50 percent of the individuals who participate in the program are
7 women;

8 [(f)] (e) Ensure that at least 80 percent of the individuals who participate successfully complete
9 the program;

10 [(g)] (f) Ensure that at least 75 percent of the individuals who participate in the program suc-
11 cessfully obtain employment; and

12 [(h)] (g) Ensure that at least 75 percent of the individuals who participate in the program earn
13 at least \$17 per hour.

14 (3)(a) [*The Prosperity 10,000 Program shall be administered by local workforce development*
15 *boards.*] **In administering the Prosperity Program**, the local workforce development boards shall:

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

20 (B) Coordinate with state workforce agencies and other workforce partners to expand regional
21 community-based partnerships that work to support and sustain workforce development services and
22 wraparound supports; [*and*]

23 (C) Connect with businesses and organizations in targeted industry sectors to identify training
24 needs and ensure that business needs relating to a skilled workforce are met[.]; **and**

25 **(D) Pursue and advance local workforce development strategies that are consistent with**
26 **and responsive to critical workforce shortages and strategic workforce opportunities as**
27 **identified by local workforce development boards under ORS 660.327.**

28 **(b) In distributing funds and resources to the entities described under paragraph (a)(A)**
29 **of this subsection, local workforce development boards shall consider:**

30 **(A) How the entity intends to engage with employers in targeted industry sectors to**
31 **provide workforce development opportunities to individuals from priority populations;**

32 **(B) The entity's experience serving individuals from priority populations;**

33 **(C) How the entity intends to collaborate with one or more of the following to increase**
34 **accessibility for priority populations to workforce programs and opportunities:**

35 **(i) Workforce service providers, as defined in ORS 660.400;**

36 **(ii) Community-based organizations, as defined in ORS 660.390;**

37 **(iii) Kindergarten through grade 12 schools;**

38 **(iv) Community colleges;**

39 **(v) Education and training partners;**

40 **(vi) Local workforce development boards;**

41 **(vii) Economic development organizations;**

42 **(viii) Industry associations;**

43 **(ix) Universities, as defined in ORS 660.350; and**

44 **(x) Private post-secondary institutions that meet the criteria set forth in ORS 348.597**

45 **(2)(a).**

(D) How an entity described under subparagraph (C) of this paragraph with which the entity intends to partner possesses specific qualifications, including the organizational and technical capacity necessary to carry out the purposes described under subsection (1) of this section; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(A) Incorporate the Prosperity [10,000] Program into the statewide plan for the SNAP Employment and Training Program;

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

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

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

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

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

(b) Ensure that program goals are met; and

(c) Identify areas for program improvement.

SECTION 7. ORS 660.385 is amended to read:

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

[(b)] (1) The **Higher Education Coordinating** Commission shall distribute all moneys received from moneys made available *[under sections 13 and 14, chapter 28, Oregon Laws 2022]* **by the Legislative Assembly for the Prosperity Program established under ORS 660.380**, to local workforce development boards using the same formula as required under the federal Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.) for the allocation of funds to local workforce development boards.

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

SECTION 8. ORS 660.400 is amended to read:

660.400. (1) As used in this section:

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

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

(c) “Workforce service provider” includes:

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

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

(2) There is established in the Higher Education Coordinating Commission a program to award grants to workforce service providers and community-based organizations that:

(a) Administer workforce programs in the health care, manufacturing and technology industry sectors **and other key sectors that are consistent with and responsive to critical workforce shortages and strategic workforce opportunities as identified by the State Workforce and Talent Development Board;** and

(b) *[That]* Prioritize equitable program participation by individuals from priority populations.

(3) The commission shall, **in consultation with the State Workforce and Talent Development Board, local workforce development boards and industry consortia described under ORS 660.410,** establish criteria and standards by which a workforce service provider or a community-based organization may submit a proposal to receive a grant under this section. In establishing criteria and standards, the commission shall consider federal nondiscrimination and equal opportunity provisions of the Workforce Innovation and Opportunity Act. The commission shall award grants on a competitive basis, taking into consideration proposals that:

(a) Describe how the workforce service provider or the community-based organization intends to engage with employers in *[the]* targeted industry sectors to provide workforce development opportunities to individuals from priority populations.

(b) Describe how the workforce service provider or the community-based organization will engage with other community-based organizations and education and training partners to provide workforce development opportunities to individuals from priority populations.

(c) Demonstrate how a proposed workforce program complements the Workforce and Talent Development Plan described under ORS 660.324.

(d) Demonstrate, for workforce programs intended to serve specific geographical areas, how the program complements the workforce development goals of local workforce partners and is consistent with a local plan described in ORS 660.327.

[(b)] (e) Demonstrate the workforce service provider's or the community-based organization's experience serving individuals from priority populations.

[(c) Describe how the workforce service provider or the community-based organization intends to collaborate with one or more of the following entities to increase accessibility for priority populations to workforce programs and opportunities:]

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

[(B) Kindergarten through grade 12 schools;]

[(C) Community colleges;]

[(D) Education and training partners;]

[(E) Local workforce development boards;]

[(F) Economic development organizations;]

[(G) Industry associations; and]

[(H) Universities, as defined in ORS 660.350.]

[(d)] (f) Demonstrate that a workforce partner with which a workforce service provider or a community-based organization intends to partner possesses specific qualifications, including the organizational and technical capacity, necessary to carry out the purposes described under subsection *[(5)(a) to (d)]* **(4)(a) to (d)** of this section.

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

(h) Describe how the workforce service provider or the community-based organization intends to collaborate with one or more of the following entities to increase accessibility for priority populations to workforce programs and opportunities:

- 1 **(A) Other workforce service providers or community-based organizations;**
- 2 **(B) Kindergarten through grade 12 schools;**
- 3 **(C) Community colleges;**
- 4 **(D) Education and training partners;**
- 5 **(E) Local workforce development boards;**
- 6 **(F) Economic development organizations;**
- 7 **(G) Industry associations;**
- 8 **(H) Universities, as defined in ORS 660.350; and**
- 9 **(I) Private post-secondary institutions that meet the criteria set forth in ORS 348.597**
- 10 **(2)(a).**

11 *[(4) In awarding grants under this section, the commission shall consult with the State Workforce*
12 *and Talent Development Board and shall incorporate input from local workforce development boards*
13 *and industry consortia convened under ORS 660.410.]*

14 **[(5)] (4) Except as otherwise provided in subsection (7) of this section,** grant moneys
15 awarded under this section shall be expended for one or more of the following purposes:

- 16 (a) To provide paid work experience, including stipends and wages;
- 17 (b) To offer tuition and fee assistance for workforce programs;
- 18 (c) To provide wraparound workforce development services;
- 19 (d) To develop culturally and linguistically specific career pathways for obtaining certificates,
- 20 credentials or degrees recognized by targeted industry sectors; and
- 21 (e) To fund organizational investments, including, but not limited to:
- 22 (A) Hiring staff;
- 23 (B) Developing organizational development strategies;
- 24 (C) Purchasing equipment, technology or other training-related supplies;
- 25 (D) Covering administrative costs; and
- 26 (E) Any other activities identified in a grant proposal as necessary to administer workforce
- 27 programs described under this section.

28 **[(6)(a)] (5)(a)** If a grant recipient expends moneys to provide paid work experience to individuals
29 participating in a workforce program administered by the grant recipient, the grant recipient shall:

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

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

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

36 (B) Establish a wage progression schedule that includes the step progression requirements and
37 the rate calculation formula upon which the grant recipient shall make determinations about a
38 participating individual's eligibility to increase the individual's wage rate from an entry-level train-
39 ing wage to a wage rate that is equivalent to the average area wage standard for an hour's work
40 in the same trade or occupation in the locality where the labor is performed;

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

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

44 (ii) A statement that the individual shall be paid according to the wage progression schedule
45 established by the grant recipient entity, along with a description of the requirements that the in-

dividual must meet in order to progress to a higher wage rate under the wage progression schedule;

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

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

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

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

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

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

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

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

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

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

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

(7) Notwithstanding subsection (3) of this section, the commission may, in consultation with the State Workforce and Talent Development Board, issue grant award moneys directly to workforce service providers and community-based organizations where, in the opinion of the commission, awarding the moneys directly will allow the workforce service provider or community-based organization to effectively respond to a particular strategic workforce opportunity identified by the board.

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

SECTION 9. ORS 660.405 is amended to read:

660.405. (1) As used in this section:

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

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

(c) "Workforce benefits navigator" means an individual who:

(A) Is employed at a comprehensive one-stop center or a community-based organization to advise

and assist individuals from priority populations in accessing workforce programs and applying for benefits and services that are available under the programs;

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

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

(D) Is trained in trauma-informed practices.

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

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

(4) The commission may adopt any rules necessary for carrying out the provisions of this section.

SECTION 10. ORS 660.410 is amended to read:

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

(2)(a) The Higher Education Coordinating Commission, in consultation with the State Workforce and Talent Development Board, shall establish a program to convene statewide industry consortia that represent the health care, manufacturing and technology industry sectors **and other key sectors that are consistent with and responsive to critical workforce shortages and strategic workforce opportunities as identified by the State Workforce and Talent Development Board under ORS 660.324.** Each individual consortium established under this section shall represent a single targeted industry sector.

(b) The purpose of the program is to:

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

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

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

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

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

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

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

(a) Recalculate the wage rate standards described in subsection (2)(b)(F) of this section using relevant economic and employment data made available by the Employment Department. If there is no such data available, the consortium shall recalculate the wage rate standards using relevant

economic and employment data made available from other resources, as identified by the commission by rule.

(b) Submit a statement to the commission summarizing the methodology used to recalculate the wage rate standards and the date on which the new wage rate standards shall take effect.

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

(A) A representative who is a business leader.

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

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

(D) A representative of a labor organization.

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

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

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

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

(C) One or more representatives of employers.

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

(E) One or more representatives of labor organizations.

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

(G) One or more representatives of economic developers.

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

(6) The commission shall, in collaboration with the State Workforce and Talent Development Board and industry consortia described under this section, coordinate with relevant state agencies and other workforce partners to:

(a) Identify and prioritize select occupations within a targeted industry for assessment;

(b) Identify education and training assets that are available to help meet workforce needs, including enrollment capacity and any barriers impacting enrollment capacity; and

(c) Integrate workforce supply and demand forecasting data to inform the board's identification of critical workforce shortages and strategic workforce opportunities.

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

YOUTH WORKFORCE DEVELOPMENT

SECTION 11. ORS 418.650 is amended to read:

418.650. (1) The Legislative Assembly of the State of Oregon finds and declares that:

(a) It is the policy of the State of Oregon to maintain a strong economy in order to provide its citizens a stable and plentiful job market, and to conserve and protect its natural resources, scenic beauty, historical and cultural sites and other community facilities;

(b) The development and maintenance of a healthy economy for Oregon depends substantially

upon a strong work ethic among Oregon's *[disadvantaged and at-risk]* **youth and** young adults;

(c) Many public lands and environmental resources, including parks, rangelands, forests, wildlife habitats, fisheries, soils and waters are and will continue to be subject to resource production demand and public uses;

(d) In order to instill and preserve superior work attitudes among Oregon's *[disadvantaged and at-risk]* **youth and** young adults and to maintain, protect and conserve the valuable resources of the State of Oregon, programs need to be implemented which will assure continued economic productivity and scenic beauty, as well as the public health, safety and social benefit;

(e) To these ends, conservation work programs may prove successful and cost-effective both in providing jobs for *[disadvantaged and at-risk]* **youth and** young adults and in assisting land preservation and management agencies to conserve and protect natural and urban facilities; and

(f) As a result of such employment opportunities, benefits will redound to the state's environmental maintenance and productivity, the state's economy and to the *[disadvantaged and at-risk]* **youth and young adult** participants who benefit from the exposure to and respect for the work ethic in the context of safeguarding and improving the environmental resources of the state.

(2) The general purposes of ORS 418.650 to 418.663 are:

[(a) To establish a disadvantaged and at-risk youth work program in order to perform conservation work of public value in the most cost-effective manner;]

(a) To establish an education and work program for youth and young adults to perform community-based work of public value in the most cost-effective manner;

(b) To utilize such a program as a means of needed assistance to protect, conserve, rehabilitate and improve the natural, historical, **community** and cultural resources of the state; *[and]*

(c) To utilize such a program to increase educational, training and employment opportunities for *[disadvantaged and at-risk]* **youth and young adults** for the purpose of improving work skills, instilling a work ethic and increasing employability~~].~~; **and**

(d) To use an equity lens in awarding grants by identifying and supporting populations with greater vulnerability, including, but not limited to, communities of color, indigenous communities, communities with members who have limited proficiency in English and communities with lower-income members.

SECTION 12. ORS 418.653 is amended to read:

418.653. (1) Subject to the availability of funds, there is created within the Oregon Youth Employment Program established under ORS 660.353 an Oregon Youth Corps that:

(a) Shall provide emergency services, public conservation, rehabilitation and *[improvement programs]* community service activities throughout the state for a broad cross-section of youth and young adults.

(b) May provide education and job training programs for youth and young adults.

(2) The corps shall *[be headed by a program director, and shall]* be administered through the Higher Education Coordinating Commission. The *[program director]* **commission** shall operate the corps in consultation with the Oregon Youth Works Advisory Board created under ORS 660.320.

SECTION 13. ORS 418.657 is amended to read:

418.657. (1) **Under the administration of the Higher Education Coordinating Commission,** in consultation with the Oregon Youth Works Advisory Board created under ORS 660.320 *[and the executive director of the Higher Education Coordinating Commission, or the designee of the executive director]*, the *[program director of the]* Oregon Youth Corps shall:

(a) Establish eligibility criteria for participants. Such criteria shall not render the program in-

1 eligible for federal funds. *[Participants shall be lawful permanent residents of this state.]*

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

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

6 (2) The *[program director, in consultation with the executive director, or the designee of the exec-
7 utive director,]* **commission** may take the following actions, including but not limited to:

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

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

14 (c) Purchasing, contracting or making payment for necessary services, awards, equipment, ma-
15 terials and property where such are needed to carry out the projects approved for and undertaken
16 by the corps.

17 (3) The commission may adopt all necessary rules to carry out the purposes and objectives of
18 the program and to regulate the standards of conduct and other operating guidelines for corps
19 members and other personnel.

20 (4) Corps members are exempt from:

21 (a) State Personnel Relations Law; and

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

23 **SECTION 14.** ORS 418.660 is amended to read:

24 418.660. *[(1)]* The programs established under ORS 418.650 to 418.663 may include, but shall not
25 be limited to, projects such as:

26 *[(a)]* **(1)** Rangeland conservation, rehabilitation and improvement;

27 *[(b)]* **(2)** Endangered species and other wildlife habitat conservation, rehabilitation and im-
28 provement;

29 *[(c)]* **(3)** Urban revitalization;

30 *[(d)]* **(4)** Historical and cultural site preservation and maintenance;

31 *[(e)]* **(5)** Recreational area development, maintenance, improvement and beautification;

32 *[(f)]* **(6)** Road and trail maintenance and improvement;

33 *[(g)]* **(7)** Soil conservation work, including erosion control;

34 *[(h)]* **(8)** Flood, drought and storm damage assistance and relief;

35 *[(i)]* **(9)** Stream, lake, waterfront harbor and port improvement and pollution control;

36 *[(j)]* **(10)** Fish culture and habitat maintenance and improvement;

37 *[(k)]* **(11)** Insect, disease, rodent and other pestilence control;

38 *[(L)]* **(12)** Improvement of abandoned railroad land and right of way;

39 *[(m)]* **(13)** Land reclamation and improvement, including strip-mined lands, public landscape work
40 and tree planting programs;

41 *[(n)]* **(14)** Energy conservation projects including assistance in the performance of energy effi-
42 ciency audits, weatherization and renewable resource enhancement;

43 **(15) Clean energy projects and other projects aimed at addressing the adverse impacts
44 of climate change;**

45 *[(o)]* **(16)** Emergency assistance in times of natural or other disaster;

1 [(p) Recycling projects; and]

2 [(q)] (17) Garden, greenhouse and farming programs[.];

3 (18) Child care services;

4 (19) Elderly and disabled care services;

5 (20) Literacy education programs;

6 (21) Recycling and other waste reduction services;

7 (22) Wildfire community risk reduction projects; and

8 (23) Construction and trades projects.

9 [(2) In consultation with the Oregon Youth Works Advisory Board created under ORS 660.320 and
10 the executive director of the Higher Education Coordinating Commission, or the designee of the execu-
11 tive director, the program director of the Oregon Youth Corps shall ensure that projects selected under
12 ORS 418.650 to 418.663 shall be consistent with all other provisions of applicable state and federal law
13 relating to the management, oversight and administration of affected public lands.]

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

15 660.318. (1) To implement and oversee state implementation of the federal Workforce Innovation
16 and Opportunity Act, the Higher Education Coordinating Commission may:

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

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

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

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

33 (e) Receive the comprehensive strategic plan developed and implemented by each local
34 workforce development board and review the plan, with input from representatives of state and local
35 workforce programs, to determine if the plan meets the requirements of section 3123 of the federal
36 Act and state policy.

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

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

42 (h) Pursuant to ORS 660.339, establish procedures to maintain the confidentiality of the names
43 and records of participants in workforce programs for which the commission is responsible, includ-
44 ing circumstances under which the names and records may be disclosed.

45 (i) Establish a method to set performance standards for the Secretary of Labor as required under

section 3141 of the federal Act.

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

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

(b) Programs funded under this subsection:

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

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

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

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

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

(4) The commission, in consultation with the *[State Workforce and Talent Development Board]* **Oregon Youth Works Advisory Board created under ORS 660.320**, may adopt rules pursuant to ORS chapter 183 to implement this section.

SECTION 16. ORS 418.663 is amended to read:

418.663. (1) *[Projects selected under ORS 418.650 to 418.663 shall:]* **The following projects and programs must meet the requirements under subsection (2) of this section:**

(a) **Projects selected under ORS 418.650 to 418.663.**

(b) **Youth workforce development programs for which the Higher Education Coordinating Commission is responsible, including but not limited to:**

(A) **The Oregon Youth Employment Program created under ORS 660.353; and**

(B) **The Oregon Conservation Corps Program established under ORS 476.694.**

(2) **A project or program described in subsection (1) of this section shall:**

(a) Result in an increase in employment opportunities for *[disadvantaged and at-risk]* youth **and young adults** over those opportunities which would otherwise be available;

(b) Not result in the displacement of currently employed workers, including partial displacement such as reduction in the hours of nonovertime work or wages or employment benefits;

(c) Not impair existing contracts for services or result in the substitution of state for other funds in connection with work that would otherwise be performed;

(d) Not substitute jobs assisted under *[ORS 418.650 to 418.663]* **the project or program** for existing federally assisted jobs;

(e) Not employ any person when any other person is on layoff by an employer from the same or any substantially equivalent job in the same area; *[and]*

(f) Not be used to employ any person to fill a job opening created by the act of an employer in laying off or terminating employment of any regular employee, otherwise reducing the regular workforce not supported under *[ORS 418.650 to 418.663]* **the project or program**, in anticipation

of filling the vacancy so created by hiring a person to be supported under [ORS 418.650 to 418.663] **the project or program[.]; and**

(g) Ensure that a grant made under the project or program is consistent with the local plan described in ORS 660.327 for the region the grant intends to serve.

[(2)] (3) Where a labor organization represents employees who are engaged in similar work or a workers' cooperative is engaged in work in the same area to that proposed to be performed under the **project or** program for which an application is being developed, the organization or cooperative shall be notified and shall be afforded a reasonable period of time prior to the submission of the application in which to make comments to the applicant and to the *[program director of the Oregon Youth Corps]* **commission.**

SECTION 17. ORS 476.694 is amended to read:

476.694. (1) The Oregon Conservation Corps Program is established for the purposes of:

- (a) Reducing the risk wildfire poses to communities and critical infrastructure.
- (b) Helping to create fire-adapted communities.
- (c) Engaging youth and young adults in workforce training.

(2) Youth and young adults between 16 years of age and 26 years of age *[who have been qualified by a youth development organization]* may participate in projects undertaken by the corps.

(3) Notwithstanding any contrary provision of law, participants in projects undertaken by the corps:

- (a) Are not employees of the corps.
- (b) Are exempt from prevailing wage laws.
- (c) Must receive compensation for their participation of at least minimum wage or an allowance or stipend that, when combined with other sources of payment the participant is eligible to receive, including academic credit or an AmeriCorps education award, is equivalent to the value of minimum wage.

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

(5) The Higher Education Coordinating Commission may direct the expenditure of moneys from the Oregon Conservation Corps Fund established under ORS 476.698 for implementation of a grant process that:

- (a) Provides funding to support the work conducted by the Oregon Conservation Corps Program.**
- (b) Defines and uses an equity lens in awarding grants by identifying and supporting populations with greater vulnerability, including communities of color, indigenous communities, communities with members who have limited proficiency in English and communities with lower-income members.**
- (c) Awards grants to eligible organizations.**
- (d) Ensures that grant awards support activities described in this section.**
- (e) Establishes guidelines for prioritizing grant-supported projects to reduce community fire risks, promote youth and young adult workforce development and educational experiences and reduce hazardous fuels.**

(6) The commission shall consult with the State Forestry Department and the Department of the State Fire Marshal to ensure that the grant process awards funds to proposals that:

(a) **Protect at-risk communities and infrastructure within the wildland-urban interface, as described in ORS 477.503.**

(b) **Meet standards for fuel treatment established by the State Forestry Department and the Department of the State Fire Marshal.**

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

(8) **As used in this section, “eligible organization” includes Oregon-based nonprofit youth development organizations, federally recognized Indian tribes in this state, nonprofit associations engaged in workforce development and public entities that provide programs of job training, skill development and forest-related or rangeland-related career path training.**

SECTION 18. ORS 660.320 is amended to read:

660.320. (1) There is created in the Higher Education Coordinating Commission the Oregon Youth Works Advisory Board. The purpose of the advisory board is to provide advice on and oversight of the implementation and alignment of youth workforce development programs for which the commission is responsible, including but not limited to:

- (a) The Oregon Youth Corps created under ORS 418.653;
- (b) The Oregon Conservation Corps Program established under ORS 476.694; and
- (c) The Oregon Youth Employment Program created under ORS 660.353.

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

(3) The Governor shall appoint the members of the advisory board. The members must be residents of this state who reflect the geographic, racial, ethnic and gender diversity of this state and who have necessary experience that will enable the advisory board to meaningfully advise the commission on topics including, but not limited to:

- (a) Career-connected learning that provides learners with career awareness, exploration, preparation and training in connection with professional and industry-based expectations;
- (b) Development of career pathways;
- (c) Youth education programs;
- (d) Workforce development programs;
- (e) Rural workforce needs; and
- (f) Workforce issues affecting underrepresented communities.

(4) The advisory board must include representation from:

- (a) The forestry or wildfire sector;
- (b) The natural resources sector;
- (c) Workforce sectors that are experiencing workforce demands;
- (d) Communities in which the wildland-urban interface faces a high risk of wildfire exposure;
- (e) Underrepresented communities, including communities of color, rural communities and communities that have faced generational poverty or other communities that have been historically underrepresented in youth employment as determined by the commission by rule;
- (f) Tribal communities; and
- (g) Local workforce development boards.

1 (5)(a) **Except as provided in paragraph (b) of this subsection, to accomplish staggered**
2 **expiration dates of the terms to be filled,** members of the advisory board serve for a term of ei-
3 **ther three or** four years at the pleasure of the Governor. **To the extent practicable, the Gover-**
4 **nor shall specify that one-half of the membership appointments must be fixed at a term of**
5 **three years and all other remaining position appointments must be fixed at a term of four**
6 **years.**

7 **(b) Upon the expiration of a term, the Governor shall appoint a successor to assume the**
8 **membership position. The term of the successor's appointment shall be four years.**

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

14 (7) The commission shall provide the advisory board with necessary staff support.

15 **SECTION 19. ORS 418.658 and 476.696 are repealed.**

16 **SECTION 20. The amendments to ORS 660.320 by section 18 of this 2025 Act apply to ad-**
17 **visory board appointments made on or after the effective date of this 2025 Act.**

18 **SECTION 21. The unit captions used in this 2025 Act are provided only for the conven-**
19 **ience of the reader and do not become part of the statutory law of this state or express any**
20 **legislative intent in the enactment of this 2025 Act.**