

A-Engrossed House Bill 3669

Ordered by the House April 15
Including House Amendments dated April 15

Sponsored by Representative NGUYEN D; Representative NGUYEN H

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 changes the goals of a workforce development program. (Flesch Readability Score: 61.3).

Expands the goals and purposes of the Prosperity 10,000 Program.

Requires the Higher Education Coordinating Commission to *[disburse funds appropriated for the purpose of administering the program to local workforce development boards within certain timelines]* **award grants to local workforce development boards to administer the program. Requires local workforce development boards to consider certain factors when distributing funds to certain entities.**

A BILL FOR AN ACT

Relating to workforce development; amending ORS 660.380 and 660.385.

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

SECTION 1. ORS 660.380 is amended to read:

660.380. (1) The Prosperity 10,000 Program is established in the Higher Education Coordinating Commission *[for the following purposes:]*. **From funds appropriated to the commission to 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]* **workforce program navigation assistance**, community-based career counseling and wraparound supports and *[services, and providing]* opportunities to earn industry-recognized *[certificates,]* credentials *[and degrees]* through work-based learning *[experiences]*;

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

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

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 [(e)] **(d)** Ensure that at least 50 percent of the [*individuals who participate in the*] program **par-**
 2 **ticipants** are women;

3 [(f)] **(e)** Ensure that at least 80 percent of the [*individuals who participate*] **program partic-**
 4 **ipants** successfully complete the program; **and**

5 [(g)] **(f)** Ensure that at least 75 percent of the [*individuals who participate in the program*] **pro-**
 6 **gram participants** successfully obtain employment[; *and*].

7 [(h) *Ensure that at least 75 percent of the individuals who participate in the program earn at least*
 8 *\$17 per hour.*]

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

12 (A) Distribute resources and available funds to nonprofit community-based organizations, edu-
 13 cational institutions, labor organizations and other workforce service providers to facilitate the
 14 provision of workforce [*development*] services and wraparound supports [*to individuals who partic-*
 15 *ipate in the program*];

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

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

21 **(D) Pursue and advance local workforce development strategies that are consistent with**
 22 **and responsive to critical workforce shortages and strategic workforce opportunities as**
 23 **identified by local workforce development boards in the local plan described in ORS 660.327.**

24 (b) An entity that collaborates with a local workforce development board to accomplish the
 25 workforce development activities described under this subsection shall, in accordance with ORS
 26 660.327, participate with local workforce development boards in developing a proposed local plan.

27 **(c) In distributing funds to the entities described under paragraph (a)(A) of this sub-**
 28 **section, local workforce development boards shall consider:**

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

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

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

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

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

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

37 **(iv) Community colleges;**

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

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

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

41 **(viii) Industry associations;**

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

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

45 **(D) How an entity described under subparagraph (C) of this paragraph with which an**

entity described under paragraph (a)(A) of this subsection intends to partner possesses specific qualifications, including organizational and technical capacity, necessary to carry out the purposes described in subsection (1) of this section; and

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

(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) 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 2. 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.*]

(1)(a) The Higher Education Coordinating Commission shall distribute the funds specifically appropriated by the Legislative Assembly for the purpose of administering the Prosperity 10,000 Program to local workforce development boards to carry out such purposes.

(b) The commission shall distribute all moneys received [*from moneys made available under sections 13 and 14, chapter 28, Oregon Laws 2022,*] 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.