

(Including Amendments to Resolve Conflicts)

## B-Engrossed House Bill 3437

Ordered by the Senate May 24  
Including House Amendments dated April 24 and Senate Amendments  
dated May 24

Sponsored by Representative REARDON; Representative SOLLMAN

### 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.

Establishes legislative findings and intent regarding State Workforce and Talent Development Board.

Prescribes duties and responsibilities of State Workforce and Talent Development Board consistent with requirements of federal Workforce Innovation and Opportunity Act. Requires board, in coordination with certain state agencies and key industry partners, to identify workforce development needs and create Workforce and Talent Development Plan. Requires board to update plan every biennium and submit annual report to Governor and Legislative Assembly.

Makes conforming changes.

Repeals provisions relating to Oregon Talent Council.

Takes effect on 91st day following adjournment sine die.

### A BILL FOR AN ACT

Relating to workforce development; creating new provisions; amending ORS 284.706, 285C.050, 329.850, 350.075, 350.150, 350.170, 413.231, 413.435, 418.658, 458.675, 461.740, 470.710, 657.345, 657.380, 657.610, 657.665, 657.710, 657.730, 657.734, 660.120, 660.300, 660.302, 660.312, 660.318, 660.321, 660.324, 660.327, 660.330, 660.333, 660.336, 660.339, 660.340, 660.343, 660.346, 660.349, 660.353, 660.358, 660.361, 660.364 and 678.425; repealing ORS 284.290, 284.292, 284.294 and 284.297 and section 44, chapter \_\_\_, Oregon Laws 2017 (Enrolled House Bill 2312), and sections 3 and 5, chapter \_\_\_, Oregon Laws 2017 (Enrolled Senate Bill 41); and prescribing an effective date.

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

**SECTION 1.** ORS 660.300 is amended to read:

660.300. As used in ORS 660.300 to 660.364:

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

(2) "Federal Act" or "federal Workforce [*Investment*] **Innovation and Opportunity Act**" means the federal Workforce [*Investment Act of 1998 (enacted as P.L. 105-220 and codified as 29 U.S.C. 2801 et seq.)*] **Innovation and Opportunity Act (29 U.S.C. 3101 et seq.)**.

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

(4) "Local workforce [*investment*] **development board**" means a board established pursuant to

**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 section [2832] **3122** of the federal Workforce [*Investment Act of 1998*] **Innovation and Opportunity**  
2 **Act.**

3 (5) “Office” means the Office of Community Colleges and Workforce Development.

4 (6) “Participant” means a person receiving services under [*Title I-B of the federal Workforce*  
5 *Investment Act of 1998 (29 U.S.C. 2801 et seq.)*] **the federal Workforce Innovation and Opportu-**  
6 **nity Act (29 U.S.C. 3101 et seq.).**

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

10 (8) “State workforce agencies” means state agencies that administer workforce programs.

11 [(9) “Title I-B” means the adult, dislocated worker and youth programs delivered under the federal  
12 *Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.)*.]

13 [(10)] (9) “Workforce development” means services designed to help individuals attain employ-  
14 ment and progress along career pathways and to help businesses better achieve business goals by  
15 more easily finding skilled employees. “Workforce development” includes:

16 (a) Education, training and apprenticeship services;

17 (b) Labor market analysis;

18 (c) Employment and reemployment services;

19 (d) Employee recruitment and retention services; and

20 (e) Convening, coordinating, oversight and evaluation services for business and state workforce  
21 agencies.

22 [(11)] (10) “Workforce programs” means programs that have a primary mission of helping indi-  
23 viduals become employed, retain employment, increase wages and progress along career pathways  
24 and that are responsible for outcomes related to the primary mission.

25 **SECTION 2.** ORS 660.302 is amended to read:

26 660.302. (1) The Legislative Assembly finds that:

27 (a) A robust and effective workforce system is necessary to produce a highly skilled workforce,  
28 to advance more Oregonians into family wage jobs and to help Oregon businesses compete in a  
29 global economy.

30 (b) **Oregon’s economy is strongest when all workers are self-sufficient and all businesses**  
31 **can find the talented workforce they need to grow.**

32 (2) [*Therefore,*] The Legislative Assembly declares that:

33 (a) **It will be beneficial to consolidate state-level coordination, employer engagement and**  
34 **oversight responsibilities within the State Workforce and Talent Development Board and to**  
35 **align state investments in workforce development, economic development and education to**  
36 **meet the needs of identified key industries in this state.**

37 (b) It is the policy of this state to promote the coordinated provision of education, employment,  
38 economic development and job training to:

39 [(1)] (A) Develop a workforce system that is flexible, accountable, outcome-focused and data-  
40 driven;

41 [(2)] (B) Meet the needs of employers for skilled, committed and innovative employees;

42 [(3)] (C) Deliver an effective, efficient, highly integrated and responsive workforce system;

43 [(4)] (D) Offer services;

44 [(5)] (E) Ensure equity in program access, services and outcomes for populations that have his-  
45 torically experienced high levels of unemployment, underemployment and poverty;

1 [(6)] (F) Provide greater economic security and grow a more inclusive and dynamic economy;

2 [(7)] (G) Support the economic health of local communities throughout this state with workforce  
3 solutions that meet community needs and advance the prosperity of Oregonians and Oregon-based  
4 businesses;

5 [(8)] (H) Build on the WorkSource Oregon network of state workforce agencies, local workforce  
6 [investment] **development** boards, public and private secondary and post-secondary institutions of  
7 education and other public and private partners to deliver a comprehensive, robust and outcome-  
8 oriented array of services to unemployed and underemployed individuals and to businesses seeking  
9 employees; and

10 [(9)] (I) Support the achievement of Oregon's 40-40-20 goal in conjunction with the education  
11 system and private industry to ensure that more Oregonians may access opportunities to gain skills  
12 and earn credentials to support their employment goals.

13 **SECTION 3.** ORS 660.312 is amended to read:

14 660.312. (1) The Governor shall be responsible for a coordinated and comprehensive response to  
15 education and workforce issues. The Governor shall appoint an Education and Workforce Policy  
16 Advisor, who serves at the pleasure of the Governor. The advisor shall, with the advice of such  
17 advisory committees as may be appointed or assigned, advise the Governor on policy, planning and  
18 coordination for education and workforce development in Oregon.

19 (2) The duties of the advisor shall include:

20 (a) Guiding the development of state-level policy related to education and workforce issues;

21 (b) Providing general direction and serving as a liaison between state and local efforts in edu-  
22 cation, training and workforce development;

23 (c) Ensuring, through collaboration with the leadership of local workforce [investment] **devel-**  
24 **opment** boards, the alignment of statewide and local strategic plans, and the periodic reporting of  
25 performance in the implementation of such plans; and

26 (d) Consulting with local workforce [investment] **development** boards on the development and  
27 implementation of a workforce performance measurement system.

28 (3) In the performance of duties, the advisor shall collectively involve state agencies, including  
29 but not limited to:

30 (a) The Department of Education;

31 (b) The Higher Education Coordinating Commission;

32 (c) The Oregon Business Development Department;

33 [(d)] *The Office of Community Colleges and Workforce Development;*

34 [(e)] (d) The Employment Department;

35 [(f)] (e) The Department of Human Services;

36 [(g)] (f) The Bureau of Labor and Industries;

37 [(h)] (g) The Department of Corrections; and

38 [(i)] (h) The public universities with governing boards listed in ORS 352.054.

39 (4) The advisor shall seek input from key interested parties to help guide policy development,  
40 including but not limited to representatives of:

41 (a) Businesses and industry organizations;

42 (b) Labor and labor organizations;

43 (c) Local education providers, community colleges and other public and private post-secondary  
44 institutions of education and their governing boards;

45 (d) Local government;

1 (e) Student, teacher, parent and faculty organizations;

2 (f) Community-based organizations;

3 (g) Public-private partnership organizations;

4 (h) Independent nonprofit and proprietary post-secondary colleges and schools; and

5 (i) The State Workforce [*Investment*] **and Talent Development** Board and local workforce [*in-*  
6 *vestment*] **development** boards.

7 (5) The advisor shall meet, on a regularly scheduled basis, with the local workforce  
8 [*investment*] **development** boards and such others as necessary to ensure that local interests are  
9 represented. The advisor shall seek input, advice and feedback on policy issues affecting state and  
10 local education and workforce development from interested parties and any advisory committees  
11 appointed or assigned under this section.

12 (6) Pursuant to ORS chapter 183, the advisor may adopt rules necessary to carry out the duties  
13 of the advisor.

14 **SECTION 4.** ORS 660.318 is amended to read:

15 660.318. (1) To implement and oversee state implementation of [*Title I-B*] **the federal Workforce**  
16 **Innovation and Opportunity Act**, the [*Office of Community Colleges and Workforce Development*]  
17 **Higher Education Coordinating Commission** may:

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

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

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

30 (d) Establish a procedure for use by local workforce [*investment*] **development** boards to identify  
31 eligible providers of training services according to section [2864] **3174** of the federal Act and to  
32 maintain the list of providers identified as eligible by the boards in all local workforce [*investment*]  
33 **development** areas in this state.

34 (e) Receive the comprehensive strategic plan developed and implemented by each local  
35 workforce [*investment*] **development** board and review the plan, with input from representatives of  
36 state and local workforce programs, to determine if the plan meets the requirements of section  
37 [2833] **3123** of the federal Act and state policy.

38 (f) Approve the plans, after review by the State Workforce [*Investment*] **and Talent Develop-**  
39 **ment** Board, that are found to meet the requirements of [*Title I-B*] **the federal Workforce Inno-**  
40 **vation and Opportunity Act** and review and approve any amendments to the plans.

41 (g) Carry out the required and allowable activities described in section [2864] **3174** of the federal  
42 Act with the advice of the Education and Workforce Policy Advisor.

43 (h) Pursuant to ORS 660.339, establish procedures to maintain the confidentiality of the names  
44 and records of participants in workforce programs for which the [*office*] **commission** is responsible,  
45 including circumstances under which the names and records may be disclosed.

1 (i) Establish a method to set performance standards for the Secretary of Labor as required under  
2 section [2871] **3141** of the federal Act.

3 (j) Perform planning functions related to [Title I-B] programs and performance reporting **under**  
4 **the federal Workforce Innovation and Opportunity Act.**

5 (2)(a) Subject to the availability of funds from the federal Workforce [Investment] **Innovation**  
6 **and Opportunity Act**, the [Office of Community Colleges and Workforce Development] **commission**  
7 shall create and operate a summer youth employment program that reestablishes meaningful summer  
8 work experience for persons between the ages of 14 and 24 and that meets the requirements for  
9 funding under the federal Act.

10 (b) Programs funded under this subsection:

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

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

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

16 (c) Local workforce [investment] **development** boards responsible for managing programs cre-  
17 ated under this subsection shall provide training for business, labor and education leaders in use  
18 of best practices that ensure positive summer work experiences for participants.

19 (3) The [Office of Community Colleges and Workforce Development] **commission** shall collaborate  
20 with the State Workforce [Investment] **and Talent Development** Board and local workforce [in-  
21 vestment] **development** boards to collect data on summer work experience programs that identify  
22 successful summer work experiences and allow for the identification and dissemination of promising  
23 practices.

24 (4) The [Higher Education Coordinating] commission, in consultation with the State Workforce  
25 [Investment] **and Talent Development** Board, may adopt rules pursuant to ORS chapter 183 to im-  
26 plement this section.

27 **SECTION 5.** ORS 660.321 is amended to read:

28 660.321. (1) A State Workforce [Investment] **and Talent Development** Board shall be created  
29 under section [2821(b) and (c)] **3111** of the [Workforce Investment Act of 1998] **federal Workforce**  
30 **Innovation and Opportunity Act** to assist in the development of the [State Unified] Workforce **and**  
31 **Talent Development** Plan established under ORS 660.324 [and], to carry out the other functions  
32 described by the federal Act[,] **and to provide strategic planning and recommendations related**  
33 **to state talent development.**

34 (2) The membership of the board must be in accordance with the requirements of section  
35 [2821(b)] **3111(b)** of the federal Act.

36 (3) Representatives of business described in section [2821(b)(1)(C)(i)] **3111(b)(1)(C)(i)** of the fed-  
37 eral Act who are appointed to the board must be confirmed by the Senate in the manner prescribed  
38 under ORS 171.562 and 171.565.

39 (4) The Governor shall select a chairperson in accordance with the requirements of section  
40 [2821(c)] **3111(c)** of the federal Act.

41 (5) The Governor shall appoint one member who is a representative of a local workforce [in-  
42 vestment] **development** board.

43 (6) A majority of the board must be representatives of business, as described in section  
44 [2821(b)(1)(C)(i)] **3111(b)(1)(C)(i)** of the federal Act.

45 (7) Members of the Legislative Assembly appointed to the board are nonvoting members of the

1 board and may act in an advisory capacity only.

2 (8) To transact business at a meeting of the board, a quorum of voting members must participate.  
3 A quorum consists of a majority of the voting members. At least 25 percent of the members partic-  
4 ipating must be representatives of business, as described in section [2821(b)(1)(C)(i)] **3111(b)(1)(C)(i)**  
5 of the federal Act.

6 (9) Members of the board are not entitled to compensation, but may be reimbursed for actual  
7 and necessary travel and other expenses incurred by them in the performance of their official duties  
8 in the manner and amount provided for in ORS 292.495.

9 **SECTION 5a. If House Bill 2312 becomes law, section 5 of this 2017 Act (amending ORS**  
10 **660.321) is repealed and ORS 660.321, as amended by section 27, chapter \_\_, Oregon Laws 2017**  
11 **(Enrolled House Bill 2312), is amended to read:**

12 660.321. (1) A State Workforce **and Talent** Development Board shall be created under section  
13 3111 of the federal Workforce Innovation and Opportunity Act to assist in the development of the  
14 [State Unified or Combined] Workforce **and Talent Development** Plan established under ORS  
15 660.324 [and], to carry out the other functions described by the federal Act[.] **and to provide**  
16 **strategic planning and recommendations related to state talent development.**

17 (2) The membership of the board must be in accordance with the requirements of section 3111(b)  
18 of the federal Act.

19 (3) Representatives of business described in section 3111(b)(1)(C)(i) of the federal Act who are  
20 appointed to the board must be confirmed by the Senate in the manner prescribed under ORS 171.562  
21 and 171.565.

22 (4) The Governor shall select a chairperson in accordance with the requirements of section  
23 3111(c) of the federal Act.

24 (5) The Governor shall appoint one member who is a representative of a local workforce devel-  
25 opment board.

26 (6) A majority of the board must be representatives of business, as described in section  
27 3111(b)(1)(C)(i) of the federal Act.

28 (7) Members of the Legislative Assembly appointed to the board are nonvoting members of the  
29 board and may act in an advisory capacity only.

30 (8) To transact business at a meeting of the board, a quorum of voting members must participate.  
31 A quorum consists of a majority of the voting members. At least 25 percent of the members partic-  
32 ipating must be representatives of business, as described in section 3111(b)(1)(C)(i) of the federal Act.

33 (9) Members of the board are not entitled to compensation, but may be reimbursed for actual  
34 and necessary travel and other expenses incurred by them in the performance of their official duties  
35 in the manner and amount provided for in ORS 292.495.

36 **SECTION 6. ORS 660.324 is amended to read:**

37 660.324. [(1) *The State Workforce Investment Board shall develop and submit to the Governor a*  
38 *single, unified state plan that outlines a strategy, with quantitative goals, for the statewide workforce*  
39 *investment system for the State of Oregon in accordance with section 2821 of the federal Workforce*  
40 *Investment Act of 1998. In addition, the state plan must convey the expectations for performance and*  
41 *the priorities for delivery of services to local workforce investment boards and state workforce agencies.*  
42 *Upon the Governor's approval of the state plan, the Governor shall cause the State Unified Workforce*  
43 *Plan to be delivered to the Legislative Assembly.]*

44 [(2) *The board shall develop and include in the state plan goals designed to promote Oregonians'*  
45 *self-sufficiency. In addition to requirements under the federal Act regarding wage and other goals, the*

1 *state plan shall include quantifiable goals that will empower Oregonians to gain independence from*  
2 *public assistance and move up the socioeconomic ladder.]*

3 **(1) The State Workforce and Talent Development Board shall identify:**

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

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

9 **(c) Opportunities for partnerships with key industry sectors to coordinate workforce de-**  
10 **velopment, economic development and education in response to industry and workforce**  
11 **needs.**

12 [(3)] **(2)** The board shall assist the Governor in:

13 (a) Developing Oregon's workforce [*investment*] **development** system;

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

19 (c) Reviewing and approving local workforce plans;

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

23 (e) Working with local workforce [*investment*] **development** boards to increase efficiencies and  
24 align workforce programs and services with local needs;

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

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

31 (h) Providing for the development, accountability and continuous improvement of comprehensive  
32 workforce performance measures to assess the effectiveness of the workforce [*investment*] **develop-**  
33 **ment** activities in this state;

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

36 (j) Preparing an annual report and submitting it to [*the United States Department of Education,*  
37 *the United States Department of Health and Human Services and*] the United States Department of  
38 Labor.

39 [(4)] **(3)** The State Workforce [*Investment*] **and Talent Development** Board, in partnership with  
40 the Governor, shall establish criteria for use by chief elected officials in appointing members to local  
41 workforce [*investment*] **development** boards in accordance with the requirements of section [2832  
42 *of the federal Workforce Investment Act of 1998*] **3122 of the federal Workforce Innovation and**  
43 **Opportunity Act.** The State Workforce [*Investment*] **and Talent Development** Board shall establish  
44 the following requirements:

45 (a) To transact business at a meeting of a local workforce [*investment*] **development** board, a

1 quorum of members must participate. A quorum shall consist of a majority of the members. At least  
2 25 percent of the members participating must be representatives of business[, *as described in section*  
3 *2821(b)(1)(C)(i) of the federal Act*].

4 (b) When appropriate and upon a request from the chief elected official of a county or the City  
5 of Portland, the State Workforce [*Investment*] **and Talent Development** Board shall consider the  
6 county or the City of Portland to be a candidate for designation as a local workforce [*investment*]  
7 **development** area. The board shall consult with the county or the City of Portland before designating  
8 it as a local workforce [*investment*] **development** area. After considering the criteria in section  
9 [2831] **3121** of the federal Act for designating local workforce [*investment*] **development** areas,  
10 chief elected officials may submit a request to the board to combine their units of government into  
11 a local workforce [*investment*] **development** area. The board shall make recommendations to the  
12 Governor about the designation of local workforce [*investment*] **development** areas. Only the Governor  
13 may designate local workforce [*investment*] **development** areas. The Governor must show just  
14 cause for not designating a requested local workforce [*investment*] **development** area. A county or  
15 the City of Portland may submit an appeal to the board, as provided in section [2831] **3121** of the  
16 federal Act, if the Governor does not grant the county's or the city's request to designate a local  
17 workforce [*investment*] **development** area.

18 [(5)] (4) The State Workforce [*Investment*] **and Talent Development** Board shall provide guidance  
19 and direction to local workforce [*investment*] **development** boards in the development of local  
20 workforce plans. The State Workforce [*Investment*] **and Talent Development** Board shall adopt  
21 policies that:

22 (a) Require each local workforce [*investment*] **development** board, in partnership with its chief  
23 elected officials and in accordance with section [2833] **3123** of the federal Act, to develop and submit  
24 to the Governor and the State Workforce [*Investment*] **and Talent Development** Board a strategic  
25 local workforce plan that includes, but is not limited to, performance goals; and

26 (b) Permit each local workforce [*investment*] **development** board, in consultation with its chief  
27 elected officials:

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

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

31  
32 **(5) The State Workforce and Talent Development Board may charter and enter into performance compacts with local workforce development boards.**

33 (6) The State Workforce [*Investment*] **and Talent Development** Board shall:

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

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

39 (c) Work with the Chief Education Office and the Oregon Business Development Commission to  
40 identify areas of common interest to efficiently align resources, recommend common strategies and  
41 provide accountability for reaching statewide goals; and

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

44 [(7) *The State Workforce Investment Board may charter and enter into performance compacts with*



1 *the local workforce investment boards.]*

2 **(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**  
3 **Development Commission, the Higher Education Coordinating Commission, the Department**  
4 **of Education, the Bureau of Labor and Industries, the STEM Investment Council, local**  
5 **workforce development boards, the Employment Department, the Department of Human**  
6 **Services, the Commission for the Blind, the Chief Education Office, the Youth Development**  
7 **Council and any other partners from training or workforce development entities in this state**  
8 **to:**

9  
10 **(a) Determine needs across identified key industries in this state, including challenges**  
11 **and opportunities in developing and growing relevant talent pipelines;**

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

13 **(A) A listening process to collect workforce needs of employers from identified key in-**  
14 **dustries in this state;**

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

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

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

20 **(E) Skills assessments; and**

21 **(F) Academic career counseling;**

22 **(c) Utilize sector partnerships to:**

23 **(A) Advise the development of career pathway programs for critical occupations in iden-**  
24 **tified key industries in this state; and**

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

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

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

31 **(8)(a) Every biennium, the State Workforce and Talent Development Board shall coordi-**  
32 **nate and collaborate with entities listed under subsection (7) of this section to create a sin-**  
33 **gle, unified state Workforce and Talent Development Plan.**

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

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

38 **(B) Quantifiable goals designed to promote Oregonians' self-sufficiency and that will em-**  
39 **power Oregonians to gain independence from public assistance and move up the**  
40 **socioeconomic ladder;**

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

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

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

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

3       **(G) Recommendations related to advancing talent pipeline and career pathways develop-**  
4 **ment based on the identified talent issues and trends;**

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

7       **(I) Utilization and, as appropriate, expansion of existing data-sharing agreements be-**  
8 **tween agencies and partners;**

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

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

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

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

18       **(N) New means of delivering workforce training and proficiency-based education to en-**  
19 **hance program efficiency, upgrading and sharing resources and facilities and improving stu-**  
20 **dent outcomes and access to typically underrepresented populations while meeting talent**  
21 **needs of traded sector and high growth industries; and**

22       **(O) Ways to increase the skills of the existing professional and technical workforce, in-**  
23 **cluding the issuance of certifications, badges and industry-based credentials.**

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

25       **(A) Update the plan every biennium; and**

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

27       **(i) The Governor; and**

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

29       **SECTION 7.** ORS 660.324, as amended by section 65, chapter 774, Oregon Laws 2015, is  
30 amended to read:

31       660.324. [(1) *The State Workforce Investment Board shall develop and submit to the Governor a*  
32 *single, unified state plan that outlines a strategy, with quantitative goals, for the statewide workforce*  
33 *investment system for the State of Oregon in accordance with section 2821 of the federal Workforce*  
34 *Investment Act of 1998. In addition, the state plan must convey the expectations for performance and*  
35 *the priorities for delivery of services to local workforce investment boards and state workforce agencies.*  
36 *Upon the Governor's approval of the state plan, the Governor shall cause the State Unified Workforce*  
37 *Plan to be delivered to the Legislative Assembly.]*

38       [(2) *The board shall develop and include in the state plan goals designed to promote Oregonians'*  
39 *self-sufficiency. In addition to requirements under the federal Act regarding wage and other goals, the*  
40 *state plan shall include quantifiable goals that will empower Oregonians to gain independence from*  
41 *public assistance and move up the socioeconomic ladder.]*

42       **(1) The State Workforce and Talent Development Board shall identify:**

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

45       **(b) In collaboration with workforce representatives, needs for education, training, work**

1 **experience, and job preparation to ensure Oregonians access to stable high-wage jobs and**  
2 **employment advancement; and**

3 **(c) Opportunities for partnerships with key industry sectors to coordinate workforce de-**  
4 **velopment, economic development and education in response to industry and workforce**  
5 **needs.**

6 [(3)] (2) The board shall assist the Governor in:

7 (a) Developing Oregon's workforce [*investment*] **development** system;

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

13 (c) Reviewing and approving local workforce plans;

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

17 (e) Working with local workforce [*investment*] **development** boards to increase efficiencies and  
18 align workforce programs and services with local needs;

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

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

25 (h) Providing for the development, accountability and continuous improvement of comprehensive  
26 workforce performance measures to assess the effectiveness of the workforce [*investment*] **develop-**  
27 **ment** activities in this state;

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

30 (j) Preparing an annual report and submitting it to [*the United States Department of Education,*  
31 *the United States Department of Health and Human Services and*] the United States Department of  
32 Labor.

33 [(4)] (3) The State Workforce [*Investment*] **and Talent Development** Board, in partnership with  
34 the Governor, shall establish criteria for use by chief elected officials in appointing members to local  
35 workforce [*investment*] **development** boards in accordance with the requirements of section [2832  
36 *of the federal Workforce Investment Act of 1998*] **3122 of the federal Workforce Innovation and**  
37 **Opportunity Act**. The State Workforce [*Investment*] **and Talent Development** Board shall establish  
38 the following requirements:

39 (a) To transact business at a meeting of a local workforce [*investment*] **development** board, a  
40 quorum of members must participate. A quorum shall consist of a majority of the members. At least  
41 25 percent of the members participating must be representatives of business[, *as described in section*  
42 *2821(b)(1)(C)(i) of the federal Act*].

43 (b) When appropriate and upon a request from the chief elected official of a county or the City  
44 of Portland, the State Workforce [*Investment*] **and Talent Development** Board shall consider the  
45 county or the City of Portland to be a candidate for designation as a local workforce [*investment*]

1 **development** area. The board shall consult with the county or the City of Portland before designating it as a local workforce [*investment*] **development** area. After considering the criteria in section [2831] **3121** of the federal Act for designating local workforce [*investment*] **development** areas, chief elected officials may submit a request to the board to combine their units of government into a local workforce [*investment*] **development** area. The board shall make recommendations to the Governor about the designation of local workforce [*investment*] **development** areas. Only the Governor may designate local workforce [*investment*] **development** areas. The Governor must show just cause for not designating a requested local workforce [*investment*] **development** area. A county or the City of Portland may submit an appeal to the board, as provided in section [2831] **3121** of the federal Act, if the Governor does not grant the county's or the city's request to designate a local workforce [*investment*] **development** area.

12 [(5)] (4) The State Workforce [*Investment*] **and Talent Development** Board shall provide guidance and direction to local workforce [*investment*] **development** boards in the development of local workforce plans. The State Workforce [*Investment*] **and Talent Development** Board shall adopt policies that:

16 (a) Require each local workforce [*investment*] **development** board, in partnership with its chief elected officials and in accordance with section [2833] **3123** of the federal Act, to develop and submit to the Governor and the State Workforce [*Investment*] **and Talent Development** Board a strategic local workforce plan that includes, but is not limited to, performance goals; and

20 (b) Permit each local workforce [*investment*] **development** board, in consultation with its chief elected officials:

22 (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 [*investment*] **development** area; and

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

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

28 (6) The State Workforce [*Investment*] **and Talent Development** Board shall:

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

31 (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;

34 (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

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

39 [(7) *The State Workforce Investment Board may charter and enter into performance compacts with the local workforce investment boards.*]

41 (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**

1 Services, the Commission for the Blind, the Chief Education Office, the Youth Development  
2 Council and any other partners from training or workforce development entities in this state  
3 to:

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

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

7 (A) A listening process to collect workforce needs of employers in identified key indus-  
8 tries in this state;

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

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

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

14 (E) Skills assessments; and

15 (F) Academic career counseling;

16 (c) Utilize sector partnerships to:

17 (A) Advise the development of career pathway programs for critical occupations in iden-  
18 tified key industries in this state; and

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

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

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

25 (8)(a) Every biennium, the State Workforce and Talent Development Board shall coordi-  
26 nate and collaborate with entities listed under subsection (7) of this section to create a sin-  
27 gle, unified state Workforce and Talent Development Plan.

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

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

32 (B) Quantifiable goals designed to promote Oregonians' self-sufficiency and that will em-  
33 power Oregonians to gain independence from public assistance and move up the  
34 socioeconomic ladder;

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

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

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

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

42 (G) Recommendations related to advancing talent pipeline and career pathways develop-  
43 ment based on the identified talent issues and trends;

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

1 (I) Utilization and, as appropriate, expansion of existing data-sharing agreements be-  
2 tween agencies and partners;

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

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

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

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

12 (N) New means of delivering workforce training and proficiency-based education to en-  
13 hance program efficiency, upgrading and sharing resources and facilities and improving stu-  
14 dent outcomes and access to typically underrepresented populations while meeting talent  
15 needs of traded sector and high growth industries; and

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

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

19 (A) Update the plan every biennium; and

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

21 (i) The Governor; and

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

23 **SECTION 7a.** If House Bill 2312 becomes law, section 6 of this 2017 Act (amending ORS  
24 660.324) is repealed and ORS 660.324, as amended by section 28, chapter \_\_, Oregon Laws 2017  
25 (Enrolled House Bill 2312), is amended to read:

26 660.324. [(1) *The State Workforce Development Board shall develop and submit to the Governor a*  
27 *single state plan that outlines a strategy, with quantitative goals, for the statewide workforce develop-*  
28 *ment system for the State of Oregon in accordance with section 3111 of the federal Workforce Inno-*  
29 *vation and Opportunity Act. In addition, the state plan must convey the expectations for performance*  
30 *and the priorities for delivery of services to local workforce development boards and state workforce*  
31 *agencies. Upon the Governor's approval of the state plan, the Governor shall cause the State Unified*  
32 *or Combined Workforce Plan to be delivered to the Legislative Assembly.]*

33 [(2) *The board shall develop and include in the state plan goals designed to promote Oregonians'*  
34 *self-sufficiency. In addition to requirements under the federal Act regarding wage and other goals, the*  
35 *state plan shall include quantifiable goals that will empower Oregonians to gain independence from*  
36 *public assistance and move up the socioeconomic ladder.]*

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

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

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

43 (c) Opportunities for partnerships with key industry sectors to coordinate workforce de-  
44 velopment, economic development and education in response to industry and workforce  
45 needs.

1        [(3)] (2) The board shall assist the Governor in:

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

3        (b) Ensuring timely consultation and collaboration with chief elected officials, local workforce  
4 development boards and other workforce stakeholders, including but not limited to business and la-  
5 bor organizations and organizations working with persons with disabilities, persons living at or be-  
6 low 100 percent of the federal poverty guidelines and the chronically unemployed and  
7 underemployed;

8        (c) Reviewing and approving local workforce plans;

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

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

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

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

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

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

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

26        [(4)] (3) The State Workforce **and Talent** Development Board, in partnership with the Governor,  
27 shall establish criteria for use by chief elected officials in appointing members to local workforce  
28 development boards in accordance with the requirements of section 3122 of the federal Workforce  
29 Innovation and Opportunity Act. The State Workforce **and Talent** Development Board shall estab-  
30 lish the following requirements:

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

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

1        [(5)] (4) The State Workforce **and Talent** Development Board shall provide guidance and direc-  
2        tion to local workforce development boards in the development of local workforce plans. The State  
3        Workforce **and Talent** Development Board shall adopt policies that:

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

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

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

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

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

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

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

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

22        (c) Work with the Chief Education Office and the Oregon Business Development Commission to  
23        identify areas of common interest to efficiently align resources, recommend common strategies and  
24        provide accountability for reaching statewide goals; and

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

27        [(7) *The State Workforce Development Board may charter and enter into performance compacts*  
28        *with the local workforce development boards.*]

29        **(7) The State Workforce and Talent Development Board shall convene, engage and coor-**  
30        **ordinate with senior executives of identified key industries in this state, the Oregon Business**  
31        **Development Commission, the Higher Education Coordinating Commission, the Department**  
32        **of Education, the Bureau of Labor and Industries, the STEM Investment Council, local**  
33        **workforce development boards, the Employment Department, the Department of Human**  
34        **Services, the Commission for the Blind, the Chief Education Office, the Youth Development**  
35        **Council and any other partners from training or workforce development entities in this state**  
36        **to:**

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

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

40        **(A) A listening process to collect workforce needs of employers from identified key in-**  
41        **dustries in this state;**

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

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

45        **(D) Occupation-aligned education and training options with a clearly articulated**



- 1 **progression;**
- 2 **(E) Skills assessments; and**
- 3 **(F) Academic career counseling;**
- 4 **(c) Utilize sector partnerships to:**
- 5 **(A) Advise the development of career pathway programs for critical occupations in iden-**
- 6 **tified key industries in this state; and**
- 7 **(B) Ensure the coordination of education, economic development, business and workforce**
- 8 **initiatives between key partners to develop a strong talent pipeline;**
- 9 **(d) Leverage and optimize existing measures and data systems to improve systems**
- 10 **alignment and interagency communication; and**
- 11 **(e) Ensure state alignment and coordination between industry sector partnerships and**
- 12 **initiatives in the local workforce development areas.**
- 13 **(8)(a) Every biennium, the State Workforce and Talent Development Board shall coordi-**
- 14 **nate and collaborate with entities listed under subsection (7) of this section to create a sin-**
- 15 **gle, unified state Workforce and Talent Development Plan.**
- 16 **(b) The Workforce and Talent Development Plan must include:**
- 17 **(A) A strategy, with quantitative goals, for the statewide workforce development system**
- 18 **for the State of Oregon in accordance with section 3111 of the federal Workforce Innovation**
- 19 **and Opportunity Act;**
- 20 **(B) Quantifiable goals designed to promote Oregonians' self-sufficiency and that will em-**
- 21 **power Oregonians to gain independence from public assistance and move up the**
- 22 **socioeconomic ladder;**
- 23 **(C) Expectations for performance and the priorities for delivery of services to local**
- 24 **workforce development boards and state workforce agencies;**
- 25 **(D) Industry-based information and data from the Employment Department and other**
- 26 **agencies and entities listed in subsection (7) of this section related to talent needs and gaps;**
- 27 **(E) Analysis of data regarding the skills required for identified key industry jobs;**
- 28 **(F) Information regarding the status of career pathway programs targeted at identified**
- 29 **key industries in this state;**
- 30 **(G) Recommendations related to advancing talent pipeline and career pathways develop-**
- 31 **ment based on the identified talent issues and trends;**
- 32 **(H) Recommendations regarding the alignment and consistency of data nomenclature,**
- 33 **collection practices and data sharing;**
- 34 **(I) Utilization and, as appropriate, expansion of existing data-sharing agreements be-**
- 35 **tween agencies and partners;**
- 36 **(J) Identification of talent issues and trends related to identified key industries in this**
- 37 **state that are in strategic alignment with state and local workforce and economic priorities;**
- 38 **(K) Identification and prioritization of the urgent talent gaps of identified key industries**
- 39 **in this state;**
- 40 **(L) A response to immediate talent needs through the creation of additional opportunities**
- 41 **for Oregonians to pursue education and training in disciplines critical to the advancement**
- 42 **of identified key industries in this state;**
- 43 **(M) Ways to strengthen efforts to enhance student work experience and job preparedness**
- 44 **in high-demand and critical occupations;**
- 45 **(N) New means of delivering workforce training and proficiency-based education to en-**

1 **hance program efficiency, upgrading and sharing resources and facilities and improving stu-**  
2 **dent outcomes and access to typically underrepresented populations while meeting talent**  
3 **needs of traded sector and high growth industries; and**

4 **(O) Ways to increase the skills of the existing professional and technical workforce, in-**  
5 **cluding the issuance of certifications, badges and industry-based credentials.**

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

7 **(A) Update the plan every biennium; and**

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

9 **(i) The Governor; and**

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

11 **SECTION 7b. If House Bill 2312 becomes law, section 7 of this 2017 Act (amending ORS**  
12 **660.324) is repealed and ORS 660.324, as amended by section 65, chapter 774, Oregon Laws**  
13 **2015, and section 29, chapter \_\_, Oregon Laws 2017 (Enrolled House Bill 2312), is amended**  
14 **to read:**

15 *660.324. [(1) The State Workforce Development Board shall develop and submit to the Governor a*  
16 *single state plan that outlines a strategy, with quantitative goals, for the statewide workforce develop-*  
17 *ment system for the State of Oregon in accordance with section 3111 of the federal Workforce Inno-*  
18 *vation and Opportunity Act. In addition, the state plan must convey the expectations for performance*  
19 *and the priorities for delivery of services to local workforce development boards and state workforce*  
20 *agencies. Upon the Governor's approval of the state plan, the Governor shall cause the State Unified*  
21 *or Combined Workforce Plan to be delivered to the Legislative Assembly.]*

22 *[(2) The board shall develop and include in the state plan goals designed to promote Oregonians'*  
23 *self-sufficiency. In addition to requirements under the federal Act regarding wage and other goals, the*  
24 *state plan shall include quantifiable goals that will empower Oregonians to gain independence from*  
25 *public assistance and move up the socioeconomic ladder.]*

26 **(1) The State Workforce and Talent Development Board shall identify:**

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

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

32 **(c) Opportunities for partnerships with key industry sectors to coordinate workforce de-**  
33 **velopment, economic development and education in response to industry and workforce**  
34 **needs.**

35 **[(3)] (2) The board shall assist the Governor in:**

36 **(a) Developing Oregon's workforce development system;**

37 **(b) Ensuring timely consultation and collaboration with chief elected officials, local workforce**  
38 **development boards and other workforce stakeholders, including but not limited to business and la-**  
39 **bor organizations and organizations working with persons with disabilities, persons living at or be-**  
40 **low 100 percent of the federal poverty guidelines and the chronically unemployed and**  
41 **underemployed;**

42 **(c) Reviewing and approving local workforce plans;**

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

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

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

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

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

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

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

15 [(4)] (3) The State Workforce **and Talent** Development Board, in partnership with the Governor,  
16 shall establish criteria for use by chief elected officials in appointing members to local workforce  
17 development boards in accordance with the requirements of section 3122 of the federal Workforce  
18 Innovation and Opportunity Act. The State Workforce **and Talent** Development Board shall estab-  
19 lish the following requirements:

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

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

35 [(5)] (4) The State Workforce **and Talent** Development Board shall provide guidance and direc-  
36 tion to local workforce development boards in the development of local workforce plans. The State  
37 Workforce **and Talent** Development Board shall adopt policies that:

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

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

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

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

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

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

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

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

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

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

16 *[(7) The State Workforce Development Board may charter and enter into performance compacts*  
17 *with the local workforce development boards.]*

18 **(7) The State Workforce and Talent Development Board shall convene, engage and coor-**  
19 **ordinate with senior executives of identified key industries in this state, the Oregon Business**  
20 **Development Commission, the Higher Education Coordinating Commission, the Department**  
21 **of Education, the Bureau of Labor and Industries, the STEM Investment Council, local**  
22 **workforce development boards, the Employment Department, the Department of Human**  
23 **Services, the Commission for the Blind, the Chief Education Office, the Youth Development**  
24 **Council and any other partners from training or workforce development entities in this state**  
25 **to:**

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

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

29 (A) **A listening process to collect workforce needs of employers from identified key in-**  
30 **dustries in this state;**

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

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

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

36 (E) **Skills assessments; and**

37 (F) **Academic career counseling;**

38 (c) **Utilize sector partnerships to:**

39 (A) **Advise the development of career pathway programs for critical occupations in iden-**  
40 **tified key industries in this state; and**

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

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

45 (e) **Ensure state alignment and coordination between industry sector partnerships and**

1 initiatives in the local workforce development areas.

2 (8)(a) Every biennium, the State Workforce and Talent Development Board shall coordi-  
3 nate and collaborate with entities listed under subsection (7) of this section to create a sin-  
4 gle, unified state Workforce and Talent Development Plan.

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

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

9 (B) Quantifiable goals designed to promote Oregonians' self-sufficiency and that will em-  
10 power Oregonians to gain independence from public assistance and move up the  
11 socioeconomic ladder;

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

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

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

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

19 (G) Recommendations related to advancing talent pipeline and career pathways develop-  
20 ment based on the identified talent issues and trends;

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

23 (I) Utilization and, as appropriate, expansion of existing data-sharing agreements be-  
24 tween agencies and partners;

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

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

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

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

34 (N) New means of delivering workforce training and proficiency-based education to en-  
35 hance program efficiency, upgrading and sharing resources and facilities and improving stu-  
36 dent outcomes and access to typically underrepresented populations while meeting talent  
37 needs of traded sector and high growth industries; and

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

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

41 (A) Update the plan every biennium; and

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

43 (i) The Governor; and

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

45 **SECTION 8.** ORS 660.327 is amended to read:

1       660.327. In accordance with section [2832] **3122** of the federal Act, each local workforce [*invest-*  
2 *ment*] **development** board shall:

3       (1) Consistent with section [2833] **3123** of the federal Act, in partnership with the chief elected  
4 official for the local area involved, develop and submit a local plan to the Governor. The local plan  
5 must:

6       (a) Be developed by the local workforce [*investment*] **development** board with local workforce  
7 partners;

8       (b) Identify strategies and outcomes that the local workforce [*investment*] **development** board  
9 will implement in the local workforce [*investment*] **development** area;

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

12       (d) Be submitted to and approved by the State Workforce [*Investment*] **and Talent Development**  
13 Board.

14       (2) Consistent with section [2841(d)] **3151(d)** of the federal Act, with the agreement of the chief  
15 elected official, designate or certify one-stop operators as described in section [2841(d)(2)(A)]  
16 **3151(d)(2)(A)** of the federal Act and may terminate for cause the eligibility of such operators.

17       (3) Consistent with section [2843] **3153** of the federal Act, identify eligible providers of youth  
18 activities in the local area and award grants or contracts on a competitive basis to those providers,  
19 based on recommendations of a youth council.

20       (4) Consistent with section [2842] **3152** of the federal Act, identify eligible providers of training  
21 services described in section [2864(d)(4)] **3174(d)(4)** of the federal Act.

22       (5) Subject to the approval of the chief elected official, develop a budget for the purpose of  
23 carrying out the duties of the local workforce [*investment*] **development** board under section [2832]  
24 **3122** of the federal Act.

25       (6) In partnership with the chief elected official, provide oversight of local programs of youth  
26 activities authorized under section [2854] **3164** of the federal Act, local employment and training  
27 activities authorized under section [2864] **3174** of the federal Act and the one-stop delivery system  
28 in the local area.

29       (7) With the chief elected official and the Governor, negotiate and reach agreement on local  
30 performance measures as described in section [2871(c)] **3141(c)** of the federal Act.

31       (8) Coordinate the workforce [*investment*] **development** activities authorized under the federal  
32 Act and carried out in the local area with economic development strategies and develop other em-  
33 ployer linkages with such activities.

34       (9) Promote the participation of private sector employers in the statewide workforce  
35 [*investment*] **development** system and ensure the effective provision, through the system, of con-  
36 necting, brokering and coaching activities, through intermediaries such as the one-stop operator in  
37 the local area or through other organizations, to assist such employers in meeting hiring needs.

38       **SECTION 9.** ORS 660.330 is amended to read:

39       660.330. (1) The State Workforce [*Investment*] **and Talent Development** Board and local  
40 workforce [*investment*] **development** boards shall ensure that Oregon's one-stop delivery system  
41 under the federal Workforce [*Investment Act of 1998*] **Innovation and Opportunity Act** is the  
42 foundation of local service delivery to employers and participants.

43       (2) One-stop partners shall include, but are not limited to, those described in section [2841] **3151**  
44 of the federal Act and programs referenced under section [2841(b)(1) and (2)] **3151(b)** of the federal  
45 Act.

1 (3) This section does not restrict the authority of local workforce [*investment*] **development**  
2 boards to select providers and one-stop operators, or to set goals or policies, under the federal Act.

3 **SECTION 10.** ORS 660.333 is amended to read:

4 660.333. (1) The State Workforce [*Investment*] **and Talent Development** Board shall advise the  
5 Governor as required under section [2821] **3111** of the **federal** Workforce [*Investment Act of 1998*]  
6 **Innovation and Opportunity Act** and on matters pertaining to the use of funds under section  
7 [2864] **3174** of the federal Act.

8 (2) As a part of the core services required by section [2864(d)(2)(E)(i)] **3174(c)(2)(A)(vi)(I)** of the  
9 federal Act, the one-stop delivery system, as described in section [2864(c)] **3151(e)** of the federal Act,  
10 shall provide timely listings of all job opportunities, consistent with statute or rule, to a participant  
11 immediately upon application by the participant for services offered by the one-stop delivery system.

12 (3) Intensive services offered by the one-stop delivery system may include drug and alcohol  
13 rehabilitative services meeting minimum standards established pursuant to ORS 430.357.

14 (4) Local workforce [*investment*] **development** boards shall determine whether funds will be used  
15 as provided in section [2864(e)(3)] **3174(d)(3)** of the federal Act.

16 (5) Participants may receive training in accordance with section [2864] **3174** of the federal Act.  
17 In addition, a participant who is employed in a subsidized or unsubsidized job and who needs train-  
18 ing may receive an individual training account that allows the participant to choose among training  
19 providers, except as provided in section [2864(d)(4)(G)(ii)] **3174(c)(3)(G)(ii)** of the federal Act.

20 (6) Any funds expended under ORS 660.300 to 660.364 shall be from funds appropriated by the  
21 Legislative Assembly or within any expenditure limitations placed on federal funds by the Legisla-  
22 tive Assembly.

23 **SECTION 11.** ORS 660.336 is amended to read:

24 660.336. (1) The designated state agency and state level fiscal agent for the federal Workforce  
25 [*Investment Act of 1998 (P.L. 105-220)*] **Innovation and Opportunity Act** shall provide customers  
26 of the one-stop delivery system with reports containing information about the performance of train-  
27 ing providers and programs in each local area.

28 (2) In order for customers to have choices in deciding the training program that best fits their  
29 needs and the organization that best provides that service, and in order for customers to have in-  
30 formation about how well training providers succeed in preparing people for jobs, the reports shall  
31 include information about:

32 (a) Training programs and the organizations that provide the programs; and

33 (b) The success rate of the programs in preparing people for jobs.

34 (3) The reports shall present the information in a manner that allows a customer to easily un-  
35 derstand the options that are available in choosing a program of training services.

36 **SECTION 12.** ORS 660.339 is amended to read:

37 660.339. (1) All participant records maintained by the local workforce [*investment*] **development**  
38 boards or any public or private agency involved in [*Title I-B*] programs **under the federal**  
39 **Workforce Innovation and Opportunity Act** shall be confidential and except as provided in ORS  
40 660.300 to 660.364 shall be open for inspection only in accordance with [*rules*] **policies** adopted by  
41 the [*Office of Community Colleges and Workforce Development*] **Higher Education Coordinating**  
42 **Commission**.

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

45 (3) All information contained in participant files shall be available for inspection by the partic-

1 ipant and by the participant's parent or legal guardian if the participant is under 18 years of age.  
2 Participant behavioral records shall be released only in the presence of an individual qualified to  
3 explain or interpret the records.

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

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

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

8 (c) Necessary to provide information to state and local agencies administering ORS 412.001 to  
9 412.161 and 412.991 and ORS chapters 418 and 657, other programs under the federal Workforce  
10 [Investment Act of 1998] **Innovation and Opportunity Act** and other mandatory programs under  
11 this state's one-stop service delivery system.

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

13 (e) Necessary to carry out the planning and coordinating functions between state and local  
14 agencies under [Title I-B of] the federal Workforce [Investment] **Innovation and Opportunity Act**,  
15 other applicable state laws or those functions assigned by the Education and Workforce Policy Ad-  
16 visor.

17 **SECTION 13.** ORS 660.340 is amended to read:

18 660.340. (1) There is created in the [Office of Community Colleges and Workforce Development]  
19 **Higher Education Coordinating Commission** the Oregon Employer Workforce Training Program.  
20 Subject to the availability of funding, **and in consultation with the State Workforce and Talent**  
21 **Development Board**, the [office] **commission** shall [create and] operate, and local workforce [in-  
22 vestment] **development** boards shall manage, the program for the purpose of:

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

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

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

30 (2)(a) Businesses in industries identified in the plans developed by local workforce [investment]  
31 **development** boards as required by ORS 660.327 are eligible to participate in projects selected for  
32 participation in the program.

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

35 (3) Local workforce [investment] **development** boards shall:

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

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

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

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

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

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

45 (B) The number and types of projects completed;



1 (C) The number of employees receiving training;

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

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

4 (4) The *[Higher Education Coordinating]* commission shall adopt rules necessary for the imple-  
5 mentation and operation of the program created under subsection (1) of this section. The rules shall  
6 include, but are not limited to, a process by which moneys may be appropriated and allocated to the  
7 local workforce *[investment]* **development** boards to support projects identified by the local  
8 workforce *[investment]* **development** boards under subsection (3) of this section.

9 **SECTION 14.** ORS 660.343 is amended to read:

10 660.343. (1) There is created in the *[Office of Community Colleges and Workforce Development]*  
11 **Higher Education Coordinating Commission** the Oregon National Career Readiness Certification  
12 Program to certify the workplace and college readiness skills of Oregonians and to better prepare  
13 Oregonians for continued education and workforce training, successful employment and career ad-  
14 vancement in a demand-driven, skills-based economy.

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

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

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

23 (b) Targeted instruction and remedial skills training to provide work-ready skills in which pro-  
24 gram participants are not proficient, as determined by the assessment process described in para-  
25 graph (a) of this subsection, and that have been identified by the *[office]* **commission** as work-ready  
26 skills required by local employers;

27 (c) Issuance of a National Career Readiness Certificate to program participants who demon-  
28 strate proficiency in work-ready skills, as determined by the assessment process described in para-  
29 graph (a) of this subsection, and who satisfy any other requirements for certification adopted by the  
30 *[office]* **commission** by rule;

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

34 (e) An online database that:

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

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

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

41 (D) Provides individual program participants the opportunity to opt out of the database in ac-  
42 cordance with rules adopted by the *[office]* **commission**.

43 (4) The *[Office of Community Colleges and Workforce Development]* **commission**, after consulta-  
44 tion with *[the Higher Education Coordinating Commission,]* the State Workforce *[Investment]* **and**  
45 **Talent Development** Board and the Department of Education, shall adopt rules for the implemen-

1 tation and administration of the program created under subsection (1) of this section.

2 (5) By September 1 of each year, school districts, community colleges and community college  
3 service districts shall report to the [*Office of Community Colleges and Workforce Development*]  
4 **commission** the rate of participation in and the total number of students enrolled in the district  
5 or community college who utilized the services provided by the program in the most recently con-  
6 cluded school year.

7 (6) The [*Office of Community Colleges and Workforce Development*] **commission** shall submit a  
8 report on program outcomes and recommendations for improving and funding the program to the  
9 appropriate interim legislative committees and to the Governor by December 1 of each year. The  
10 report shall include a summary of the information required under subsection (5) of this section.

11 **SECTION 15.** ORS 660.346 is amended to read:

12 660.346. (1)(a) The [*Office of Community Colleges and Workforce Development*] **Higher Education**  
13 **Coordinating Commission**, in collaboration with the Employment Department and the State  
14 Workforce [*Investment*] **and Talent Development** Board, shall develop and implement a demand-  
15 driven, skills-based integrated workforce delivery system focused on skills and talent development.

16 (b) The integrated workforce delivery system implemented under paragraph (a) of this subsection  
17 must include, and the [*office*] **commission** shall maintain, a workforce training inventory of prior-  
18 itized occupations.

19 (c) The [*office*] **commission** shall prioritize recommendations for the allocation of workforce  
20 training resources by the integrated workforce delivery system based on occupational prioritization  
21 data developed by the Employment Department.

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

24 **SECTION 16.** ORS 660.349 is amended to read:

25 660.349. (1)(a) There is created in the Office of Community Colleges and Workforce Development  
26 a program to make grants to pilot projects to promote hands-on experience and education in the  
27 fundamentals and core competencies in architecture, construction trades and engineering for high  
28 school juniors and seniors.

29 (b) Pilot projects funded by the program created under this subsection shall be based on  
30 collaborative efforts between local school districts, community colleges, business organizations and  
31 labor organizations that provide participants the opportunity for education and training in skills  
32 required to meet the workforce development needs of local, regional and statewide employers.

33 (c) The office may apply for and receive grants and gifts from public and private sources to fund  
34 grants provided under this section.

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

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

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

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

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

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

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

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

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

6 (c) Use private and federal funds;

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

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

10 (f) Help students connect education and training with career planning and job opportunities  
11 through local and regional career centers implemented under the federal Workforce [*Investment*]  
12 **Innovation and Opportunity Act**;

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

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

17 (4)(a) The office shall include in the program created under subsection (1) of this section a pro-  
18 cess for the certification of instructors for the program to provide education and practical experi-  
19 ence in architecture, construction trades and engineering.

20 (b) The office shall adopt by rule requirements for the certification of instructors described in  
21 paragraph (a) of this subsection.

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

25 **SECTION 17.** ORS 660.353 is amended to read:

26 660.353. (1) There is created in the [*Office of Community Colleges and Workforce Development*]  
27 **Higher Education Coordinating Commission** the Oregon Youth Employment Program. Subject to  
28 the availability of funding, the [*office*] **commission** shall create and operate, and local workforce  
29 [*investment*] **development** boards shall manage, the program to provide meaningful work experience  
30 and workforce training for persons between the ages of 14 and 24.

31 (2) The program shall provide to participants in the program case management and support  
32 services that include, but are not limited to:

33 (a) Developing an individual development plan for the participant that outlines work readiness,  
34 career and educational goals;

35 (b) Work readiness instruction;

36 (c) At least 12 weeks of paid internships or other work experience; and

37 (d) Academic support for earning high school graduation credit, completion of a General Edu-  
38 cational Development (GED) certificate program or earning college credit for work experience or  
39 internships provided through the program.

40 (3) The program:

41 (a) Plan, implementation procedures and evaluation criteria shall be described in the local plan  
42 developed by a local workforce [*investment*] **development** board under ORS 660.327.

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

44 (4) Local workforce [*investment*] **development** boards responsible for managing the program  
45 shall ensure appropriate training and positive work experiences for participants.

1 (5) The [office] **commission** shall collaborate with the local workforce [investment] **development**  
2 boards to collect data on youth work experience programs that identify successful work experiences  
3 and allow for the identification and dissemination of the most promising practices. The data col-  
4 lected shall also include the number of participants in the program, the number of participants that  
5 complete the program, the cost of internships and other work experiences provided, the academic  
6 credit earned by participants and the number of General Educational Development (GED) certif-  
7 icates earned by participants.

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

11 **SECTION 18.** ORS 660.358 is amended to read:

12 660.358. (1) The State Workforce [Investment] **and Talent Development** Board, in consultation  
13 with the Governor, the Education and Workforce Policy Advisor and other parties deemed appro-  
14 priate by the board and after consideration of the clean energy and energy efficiency policies of this  
15 state, shall develop a plan for a green jobs growth initiative to promote the development of emerging  
16 technologies and innovations that lead to, create or sustain family wage green jobs.

17 (2) The plan for the initiative developed by the board shall:

18 (a) Identify industries that are high demand green industries based on current and projected  
19 creation of family wage green jobs and the potential for career pathways created for such jobs.

20 (b) Use the needs of identified high demand green industries as the basis for the planning of  
21 workforce development activities that promote the development of emerging green technologies and  
22 innovations. These activities include, but are not limited to, such efforts undertaken by community  
23 colleges, public universities listed in ORS 352.002, designated signature research centers, registered  
24 apprenticeship programs and other private sector training programs.

25 (c) Leverage and align existing public workforce development programs and other public and  
26 private resources to the goal of recruiting, supporting, educating and training of targeted popu-  
27 lations of workers.

28 (d) Require the board to work collaboratively with stakeholders from business, labor and low  
29 income advocacy groups in the regional economy to develop and implement the initiative.

30 (e) Link adult basic and remedial education programs with job training for skills necessary for  
31 green jobs.

32 (f) Require the board to collaborate with employers and labor organizations to identify skills and  
33 competencies necessary for green job career pathways.

34 (g) Ensure that support services are integrated with education and training for green jobs and  
35 that such services are provided by organizations with direct access to and experience with targeted  
36 populations.

37 (h) Include an analysis of occupations in the forest products industry to:

38 (A) Determine key growth factors and employment projections for green jobs in the forest pro-  
39 ducts industry; and

40 (B) Define the educational and skill standards required for current and emerging green occupa-  
41 tions in the forest products industry.

42 (3) Based on the analysis conducted under subsection (2)(h) of this section, the State Workforce  
43 [Investment] **and Talent Development** Board, in consultation with the Education and Workforce  
44 Policy Advisor, shall identify those forest products industries to be classified as high-demand green  
45 industries, taking into consideration current and future job creation and the strategic importance

1 of the development of high-demand green forest products industry jobs to the development and  
2 growth of the state's green economy.

3 (4) As used in this section, "forest products industry" includes, but is not limited to, businesses  
4 that grow, manage, harvest, transport or process forest, wood and paper products.

5 **SECTION 19.** ORS 660.361 is amended to read:

6 660.361. The State Workforce [*Investment*] **and Talent Development** Board, in consultation with  
7 state agencies, boards, commissions and private entities deemed appropriate by the State Workforce  
8 [*Investment*] **and Talent Development** Board shall develop a list of defined terms related to green  
9 jobs and the green economy that are consistent with current workforce development and economic  
10 development terminology.

11 **SECTION 20.** ORS 660.364 is amended to read:

12 660.364. The Oregon Business Development Department, in consultation with the State  
13 Workforce [*Investment*] **and Talent Development** Board, shall:

14 (1) Develop criteria for existing investments and new or expanded financial incentives and  
15 comprehensive strategies to recruit, retain and expand green economy industries, including but not  
16 limited to forest products industries as defined in ORS 660.358, and small businesses.

17 (2) Make recommendations for new or expanded financial incentives and comprehensive strate-  
18 gies to stimulate research and development of green technology and innovation.

19 **SECTION 21.** ORS 350.075, as amended by section 5, chapter 30, Oregon Laws 2016, and section  
20 55, chapter 117, Oregon Laws 2016, is amended to read:

21 350.075. (1) As used in this section, "student access programs" means scholarship, loan, grant  
22 and access programs described in ORS chapter 348.

23 (2) The Higher Education Coordinating Commission shall be guided by the legislative findings  
24 in ORS 341.009, 350.001 and 350.005 and the goals and mission of post-secondary education set forth  
25 in ORS 350.009 and 350.014.

26 (3) The Higher Education Coordinating Commission shall:

27 (a) Develop state goals for the state post-secondary education system, including community col-  
28 leges and public universities listed in ORS 352.002, and for student access programs.

29 (b) Determine strategic investments in the state's community colleges, public universities and  
30 student access programs necessary to achieve state post-secondary education goals.

31 (c) Coordinate the post-secondary elements of data collection and structure, with the advice and  
32 recommendation of the state's independent institutions, community colleges and public universities,  
33 as appropriate, in order to construct a state longitudinal data system.

34 (d) Adopt a strategic plan for achieving state post-secondary education goals, taking into con-  
35 sideration the contributions of this state's independent institutions, philanthropic organizations and  
36 other organizations dedicated to helping Oregonians reach state goals. State post-secondary educa-  
37 tion goals as described in this section should include, but need not be limited to:

38 (A) Increasing the educational attainment of the population;

39 (B) Increasing this state's global economic competitiveness and the quality of life of its resi-  
40 dents;

41 (C) Ensuring affordable access for qualified Oregon students at each college or public university;

42 (D) Removing barriers to on-time completion; and

43 (E) Tracking progress toward meeting the state's post-secondary education goals established in  
44 the strategic plan described in this paragraph.

45 (e)(A) Each biennium, after receiving funding requests from the state's community colleges and

1 public universities as authorized by law, recommend to the Governor a consolidated higher educa-  
2 tion agency request budget aligned with the strategic plan described in paragraph (d) of this sub-  
3 section, including appropriations for:

4 (i) Student access programs;

5 (ii) Public universities listed in ORS 352.002, including but not limited to education and general  
6 operations, statewide public services and state-funded debt service;

7 (iii) Community colleges, including but not limited to education and general operations and  
8 state-funded debt service;

9 (iv) New facilities or programs;

10 (v) Capital improvements and deferred maintenance; and

11 (vi) Special initiatives and investments.

12 (B) In the development of the consolidated higher education agency request budget:

13 (i) Determine the costs necessary to provide quality post-secondary education;

14 (ii) Solicit input from educators, education policy experts, appropriate legislative committees,  
15 students and other persons interested in the development of the funding model; and

16 (iii) Solicit public input regarding educational priorities.

17 (f) Adopt rules governing the distribution of appropriations from the Legislative Assembly to  
18 community colleges, public universities listed in ORS 352.002 and student access programs. These  
19 rules must be based on allocation formulas developed in consultation with the state's community  
20 colleges and public universities, as appropriate.

21 (g) Approve or disapprove any significant change to the academic program of a community col-  
22 lege or a public university listed in ORS 352.002. In reaching a decision under this paragraph, the  
23 commission shall consider the recommendation from the community college or public university  
24 seeking to make the change to an academic program that is issued pursuant to the obligation of the  
25 governing board of a community college or public university to review and approve academic pro-  
26 grams. The commission shall ensure that approved programs:

27 (A) Are consistent with the mission statement of the community college or public university;

28 (B) Do not unnecessarily duplicate academic programs offered by Oregon's other community  
29 colleges or public universities;

30 (C) Are not located in a geographic area that will cause undue hardship to Oregon's other  
31 community colleges or public universities; and

32 (D) Are allocated among Oregon's community colleges and public universities to maximize the  
33 achievement of statewide needs and requirements.

34 (h) For public universities listed in ORS 352.002:

35 (A) Approve the mission statement adopted by a governing board of a public university.

36 (B) Review and determine whether a proposed annual increase of resident undergraduate en-  
37 rollment fees of greater than five percent is appropriate.

38 (C) Advise the Governor and the Legislative Assembly on issues of university governance.

39 (D) Approve and authorize degrees.

40 (E) Perform the evaluation and certification required by ORS 350.095.

41 (i) Authorize degrees to be offered by independent post-secondary institutions in this state under  
42 ORS 348.594 to 348.615.

43 (j) Oversee the licensing of career schools under ORS 345.010 to 345.450.

44 (k) Have the authority to enter into and administer interstate agreements regarding the pro-  
45 vision of post-secondary distance education. The participation by an educational institution that is

1 not based in this state in distance learning courses or programs that are part of an interstate  
2 agreement entered into and administered under this paragraph does not constitute operating in this  
3 state for purposes of ORS 348.594 to 348.615. The commission, by rule, may impose a fee on any  
4 educational institution that seeks to operate under or participate in such interstate agreements. The  
5 fee amount shall be established to recover designated expenses incurred by the commission in par-  
6 ticipating in such agreements.

7 (L) Coordinate and collaborate with the Chief Education Office as provided by section 1, chapter  
8 519, Oregon Laws 2011.

9 (4)(a) The Higher Education Coordinating Commission shall implement a process to resolve stu-  
10 dent complaints against any school operating in this state. As part of the process implemented under  
11 this subsection, the commission may:

12 (A) Receive student complaints from students regarding a school;

13 (B) Specify the type of information that must be included in a student complaint;

14 (C) Investigate any student complaint filed against a school;

15 (D) Establish a process to review and resolve student complaints against a school, including but  
16 not limited to reviewing school records, holding administrative hearings and issuing final orders;

17 (E) Assess a fee to cover the costs of any proceeding brought under this subsection, including  
18 but not limited to the costs of an investigation or administrative hearing;

19 (F) Require a school to make full or partial restitution to a student or to cease an act or prac-  
20 tice that is challenged in a student complaint;

21 (G) Adopt rules to implement the provisions of this subsection; and

22 (H) Enter into agreements to implement the provisions of this subsection.

23 (b) Any hearing held under this subsection is subject to the provisions of ORS chapter 183.

24 (c) As used in this subsection:

25 (A) "School" means a school that meets the requirements of ORS 348.597 (2)(a); and

26 (B) "Student" means a person who is enrolled or accepted for enrollment at a school for the  
27 purpose of obtaining a degree, certificate or other recognized educational credential offered by that  
28 school.

29 (5) In addition to the duties described in subsections (2) to (4) of this section, the Higher Edu-  
30 cation Coordinating Commission shall advise the Legislative Assembly, the Governor, community  
31 colleges, public universities and other state boards and commissions on policies in order to:

32 (a) Ensure or improve access to higher education by diverse and underserved populations.

33 (b) Encourage student success and completion initiatives.

34 (c) Improve the coordination of the provision of educational services, including:

35 (A) Transfers and coenrollment throughout the higher education system;

36 (B) Accelerated college credit programs for high school students;

37 (C) Applied baccalaureate and other transfer degrees;

38 (D) Programs and grants that span multiple institutions; and

39 (E) Reciprocity agreements with other states.

40 (d) In coordination with the State Board of Education, enhance the use and quality of dual  
41 credit, career and technical pathways and efforts to create a culture of college attendance in this  
42 state.

43 (e) In coordination with the State Workforce [*Investment*] **and Talent Development** Board, local  
44 workforce [*investment*] **development** boards, the Oregon Health and Science University and inde-  
45 pendent institutions, ensure that the state's colleges and universities offer programs in high-demand

1 occupations that meet Oregon's workforce needs.

2 (f) Improve economies of scale by encouraging and facilitating the use of the shared services  
3 among post-secondary institutions in this state.

4 (6) The Higher Education Coordinating Commission, in a manner consistent with ORS chapter  
5 183, may adopt administrative rules.

6 (7) With the exception of the rulemaking authority granted in subsection (6) of this section, the  
7 Higher Education Coordinating Commission may delegate any of its powers, duties or functions to  
8 a committee of the commission or to the executive director of the commission.

9 (8) The Higher Education Coordinating Commission may establish technical or advisory com-  
10 mittees to assist the commission in exercising its powers, duties and functions.

11 (9) The Higher Education Coordinating Commission may exercise only powers, duties and func-  
12 tions expressly granted by the Legislative Assembly. Except as otherwise expressly provided by law,  
13 all other authorities reside at the institutional level with the respective boards of the post-secondary  
14 institutions.

15 **SECTION 22.** ORS 350.075, as amended by section 61, chapter 774, Oregon Laws 2015, section  
16 6, chapter 30, Oregon Laws 2016, and section 56, chapter 117, Oregon Laws 2016, is amended to  
17 read:

18 350.075. (1) As used in this section, "student access programs" means scholarship, loan, grant  
19 and access programs described in ORS chapter 348.

20 (2) The Higher Education Coordinating Commission shall be guided by the legislative findings  
21 in ORS 341.009, 350.001 and 350.005 and the goals and mission of post-secondary education set forth  
22 in ORS 350.009 and 350.014.

23 (3) The Higher Education Coordinating Commission shall:

24 (a) Develop state goals for the state post-secondary education system, including community col-  
25 leges and public universities listed in ORS 352.002, and for student access programs.

26 (b) Determine strategic investments in the state's community colleges, public universities and  
27 student access programs necessary to achieve state post-secondary education goals.

28 (c) Coordinate the post-secondary elements of data collection and structure, with the advice and  
29 recommendation of the state's independent institutions, community colleges and public universities,  
30 as appropriate, in order to construct a state longitudinal data system.

31 (d) Adopt a strategic plan for achieving state post-secondary education goals, taking into con-  
32 sideration the contributions of this state's independent institutions, philanthropic organizations and  
33 other organizations dedicated to helping Oregonians reach state goals. State post-secondary educa-  
34 tion goals as described in this section should include, but need not be limited to:

35 (A) Increasing the educational attainment of the population;

36 (B) Increasing this state's global economic competitiveness and the quality of life of its resi-  
37 dents;

38 (C) Ensuring affordable access for qualified Oregon students at each college or public university;

39 (D) Removing barriers to on-time completion; and

40 (E) Tracking progress toward meeting the state's post-secondary education goals established in  
41 the strategic plan described in this paragraph.

42 (e)(A) Each biennium, after receiving funding requests from the state's community colleges and  
43 public universities as authorized by law, recommend to the Governor a consolidated higher educa-  
44 tion agency request budget aligned with the strategic plan described in paragraph (d) of this sub-  
45 section, including appropriations for:



- 1 (i) Student access programs;
- 2 (ii) Public universities listed in ORS 352.002, including but not limited to education and general  
3 operations, statewide public services and state-funded debt service;
- 4 (iii) Community colleges, including but not limited to education and general operations and  
5 state-funded debt service;
- 6 (iv) New facilities or programs;
- 7 (v) Capital improvements and deferred maintenance; and
- 8 (vi) Special initiatives and investments.
- 9 (B) In the development of the consolidated higher education agency request budget:
  - 10 (i) Determine the costs necessary to provide quality post-secondary education;
  - 11 (ii) Solicit input from educators, education policy experts, appropriate legislative committees,  
12 students and other persons interested in the development of the funding model; and
  - 13 (iii) Solicit public input regarding educational priorities.
- 14 (f) Adopt rules governing the distribution of appropriations from the Legislative Assembly to  
15 community colleges, public universities listed in ORS 352.002 and student access programs. These  
16 rules must be based on allocation formulas developed in consultation with the state's community  
17 colleges and public universities, as appropriate.
- 18 (g) Approve or disapprove any significant change to the academic program of a community col-  
19 lege or a public university listed in ORS 352.002. In reaching a decision under this paragraph, the  
20 commission shall consider the recommendation from the community college or public university  
21 seeking to make the change to an academic program that is issued pursuant to the obligation of the  
22 governing board of a community college or public university to review and approve academic pro-  
23 grams. The commission shall ensure that approved programs:
  - 24 (A) Are consistent with the mission statement of the community college or public university;
  - 25 (B) Do not unnecessarily duplicate academic programs offered by Oregon's other community  
26 colleges or public universities;
  - 27 (C) Are not located in a geographic area that will cause undue hardship to Oregon's other  
28 community colleges or public universities; and
  - 29 (D) Are allocated among Oregon's community colleges and public universities to maximize the  
30 achievement of statewide needs and requirements.
- 31 (h) For public universities listed in ORS 352.002:
  - 32 (A) Approve the mission statement adopted by a governing board of a public university.
  - 33 (B) Review and determine whether a proposed annual increase of resident undergraduate en-  
34 rollment fees of greater than five percent is appropriate.
  - 35 (C) Advise the Governor and the Legislative Assembly on issues of university governance.
  - 36 (D) Approve and authorize degrees.
  - 37 (E) Perform the evaluation and certification required by ORS 350.095.
- 38 (i) Authorize degrees to be offered by independent post-secondary institutions in this state under  
39 ORS 348.594 to 348.615.
- 40 (j) Oversee the licensing of career schools under ORS 345.010 to 345.450.
- 41 (k) Have the authority to enter into and administer interstate agreements regarding the pro-  
42 vision of post-secondary distance education. The participation by an educational institution that is  
43 not based in this state in distance learning courses or programs that are part of an interstate  
44 agreement entered into and administered under this paragraph does not constitute operating in this  
45 state for purposes of ORS 348.594 to 348.615. The commission, by rule, may impose a fee on any

1 educational institution that seeks to operate under or participate in such interstate agreements. The  
2 fee amount shall be established to recover designated expenses incurred by the commission in par-  
3 ticipating in such agreements.

4 (4)(a) The Higher Education Coordinating Commission shall implement a process to resolve stu-  
5 dent complaints against any school operating in this state. As part of the process implemented under  
6 this subsection, the commission may:

7 (A) Receive student complaints from students regarding a school;

8 (B) Specify the type of information that must be included in a student complaint;

9 (C) Investigate any student complaint filed against a school;

10 (D) Establish a process to review and resolve student complaints against a school, including but  
11 not limited to reviewing school records, holding administrative hearings and issuing final orders;

12 (E) Assess a fee to cover the costs of any proceeding brought under this subsection, including  
13 but not limited to the costs of an investigation or administrative hearing;

14 (F) Require a school to make full or partial restitution to a student or to cease an act or prac-  
15 tice that is challenged in a student complaint;

16 (G) Adopt rules to implement the provisions of this subsection; and

17 (H) Enter into agreements to implement the provisions of this subsection.

18 (b) Any hearing held under this subsection is subject to the provisions of ORS chapter 183.

19 (c) As used in this subsection:

20 (A) "School" means a school that meets the requirements of ORS 348.597 (2)(a); and

21 (B) "Student" means a person who is enrolled or accepted for enrollment at a school for the  
22 purpose of obtaining a degree, certificate or other recognized educational credential offered by that  
23 school.

24 (5) In addition to the duties described in subsections (2) to (4) of this section, the Higher Edu-  
25 cation Coordinating Commission shall advise the Legislative Assembly, the Governor, community  
26 colleges, public universities and other state boards and commissions on policies in order to:

27 (a) Ensure or improve access to higher education by diverse and underserved populations.

28 (b) Encourage student success and completion initiatives.

29 (c) Improve the coordination of the provision of educational services, including:

30 (A) Transfers and coenrollment throughout the higher education system;

31 (B) Accelerated college credit programs for high school students;

32 (C) Applied baccalaureate and other transfer degrees;

33 (D) Programs and grants that span multiple institutions; and

34 (E) Reciprocity agreements with other states.

35 (d) In coordination with the State Board of Education, enhance the use and quality of dual  
36 credit, career and technical pathways and efforts to create a culture of college attendance in this  
37 state.

38 (e) In coordination with the State Workforce [*Investment*] **and Talent Development** Board, local  
39 workforce [*investment*] **development** boards, the Oregon Health and Science University and inde-  
40 pendent institutions, ensure that the state's colleges and universities offer programs in high-demand  
41 occupations that meet Oregon's workforce needs.

42 (f) Improve economies of scale by encouraging and facilitating the use of the shared services  
43 among post-secondary institutions in this state.

44 (6) The Higher Education Coordinating Commission, in a manner consistent with ORS chapter  
45 183, may adopt administrative rules.

1 (7) With the exception of the rulemaking authority granted in subsection (6) of this section, the  
2 Higher Education Coordinating Commission may delegate any of its powers, duties or functions to  
3 a committee of the commission or to the executive director of the commission.

4 (8) The Higher Education Coordinating Commission may establish technical or advisory com-  
5 mittees to assist the commission in exercising its powers, duties and functions.

6 (9) The Higher Education Coordinating Commission may exercise only powers, duties and func-  
7 tions expressly granted by the Legislative Assembly. Except as otherwise expressly provided by law,  
8 all other authorities reside at the institutional level with the respective boards of the post-secondary  
9 institutions.

10 **SECTION 23.** ORS 413.231 is amended to read:

11 413.231. The Oregon Health Authority, through the Health Care Workforce Committee created  
12 pursuant to ORS 413.017, shall work with interested parties, which may include Travel Oregon, the  
13 State Workforce [*Investment*] **and Talent Development** Board, medical schools, physician organiza-  
14 tions, hospitals, county and city officials, local chambers of commerce, organizations that promote  
15 Oregon or local communities in Oregon, and organizations that recruit health care professionals, to  
16 develop a strategic plan for recruiting primary care providers to Oregon. The strategic plan must  
17 address:

18 (1) Best recruitment practices and existing recruitment programs;

19 (2) Development of materials and information promoting Oregon as a desirable place for primary  
20 care providers to live and work;

21 (3) Development of a pilot program to promote coordinated visiting and recruitment opportu-  
22 nities for primary care providers;

23 (4) Potential funding opportunities; and

24 (5) The best entities to implement the strategic plan.

25 **SECTION 24.** ORS 413.435 is amended to read:

26 413.435. (1) The Oregon Health Authority, in collaboration with the State Workforce  
27 [*Investment*] **and Talent Development** Board, shall convene a work group to develop standards for  
28 administrative requirements for student placement in clinical training settings in Oregon. The work  
29 group may include representatives of:

30 (a) State education agencies;

31 (b) A public educational institution offering health care professional training;

32 (c) Independent or proprietary educational institutions offering health care professional training;

33 (d) An employer of health care professionals; and

34 (e) The Health Care Workforce Committee established under ORS 413.017.

35 (2)(a) The work group shall develop standards for:

36 (A) Drug screening;

37 (B) Immunizations;

38 (C) Criminal records checks;

39 (D) Health Insurance Portability and Accountability Act orientation; and

40 (E) Other standards as the work group deems necessary.

41 (b) The standards must apply to students of nursing and allied health professions. The standards  
42 may apply to students of other health professions.

43 (c) The standards must pertain to clinical training in settings including but not limited to hos-  
44 pitals and ambulatory surgical centers, as those terms are defined in ORS 442.015.

45 (3) The work group shall make recommendations on the standards developed under this section

1 and the initial and ongoing implementation of the standards to the Oregon Health Policy Board es-  
2 tablished in ORS 413.006.

3 (4) The authority may establish by rule standards for student placement in clinical training  
4 settings that incorporate the standards developed under this section and approved by the Oregon  
5 Health Policy Board.

6 **SECTION 25.** ORS 470.710 is amended to read:

7 470.710. (1) The State Department of Energy shall collaborate with the State Workforce [*In-*  
8 *vestment*] **and Talent Development** Board and other interested parties to identify opportunities for  
9 apprenticeship and for job training and development that would further the goals of ORS 470.500 to  
10 470.710 and provide valuable skills to Oregon workers.

11 (2) In adopting any rules for carrying out apprenticeship and job training and development under  
12 the energy efficiency and sustainable technology loan program, the department and the board shall  
13 consult with representatives from:

- 14 (a) State workforce programs;
- 15 (b) Organized labor;
- 16 (c) The State Apprenticeship and Training Council;
- 17 (d) The Bureau of Labor and Industries; and
- 18 (e) Consumer advocacy organizations.

19 (3) In addition to consulting with entities described in subsection (2) of this section, in adopting  
20 any rules for carrying out apprenticeship and job training and development under the energy effi-  
21 ciency and sustainable technology loan program, the department and the board may seek input from  
22 organizations representing construction contractors.

23 **SECTION 26.** ORS 657.710 is amended to read:

24 657.710. (1) The Director of the Employment Department shall establish and maintain such free  
25 public employment offices, including such branch or affiliate offices, as may be necessary for the  
26 proper administration of this chapter and for participation in Oregon's workforce [*investment*] **de-**  
27 **velopment** system.

28 (2) The director may enter into such contracts or memoranda of understanding with designated  
29 workforce [*investment*] **development** system partners, including but not limited to other states and  
30 governments, government entities, state agencies, units of local government, intergovernmental en-  
31 tities, community colleges and persons, as appropriate to administer the workforce [*investment*] **de-**  
32 **velopment** system.

33 (3) The director may enter into contracts or memoranda of understanding to share confidential  
34 information as authorized under federal law and regulations for purposes of a national performance  
35 accounting system, including receiving and making available wage records to the extent the wage  
36 records are required by another state to carry out that state's workforce [*investment*] **development**  
37 system performance plan.

38 (4) All moneys made available by or received by the state for the Oregon State Employment  
39 Service shall be paid to and expended from the Unemployment Compensation Administration Fund.

40 (5) Each contracting agency shall provide to the director timely information pertinent to all  
41 existing job vacancies over which the contracting agency exercises employment control and for  
42 which there will be open recruitment. Such information shall be made available to the public by the  
43 director. As used in this subsection, "contracting agency" has the meaning given that term in ORS  
44 279A.010.

45 **SECTION 27.** ORS 660.120 is amended to read:

1       660.120. (1) The State Apprenticeship and Training Council, under the direction of the Appren-  
2 ticeship and Training Division of the Bureau of Labor and Industries, shall enforce the provisions  
3 of ORS 660.002 to 660.210 in order to carry out the intent and purposes of those provisions. The  
4 State Director of Apprenticeship and Training, the division and the council may conduct investi-  
5 gations, issue subpoenas and subpoenas duces tecum, obtain evidence, administer oaths and take  
6 testimony in all matters relating to the council's duties and functions as set forth in ORS 660.002  
7 to 660.210 when the information sought is relevant to a lawful investigative purpose and is reason-  
8 able in scope. The council and the division shall adopt rules for gathering information through  
9 subpoenas or testimony. The rules must include procedures through which a party may object to  
10 providing information. After being served with a subpoena, if a person refuses, without reasonable  
11 cause, to be examined, to answer any question or to produce any document or other thing as re-  
12 quired by the subpoena, the director, the division or the council may petition the circuit court in  
13 the county in which the investigation is pending for an order directing the person to show cause  
14 why the person has not complied with the subpoena and should not be held in contempt. The di-  
15 rector, division or council shall serve the court's order upon the person in the manner provided by  
16 ORCP 55 D. If the person fails to show cause for the noncompliance, the court shall order the person  
17 to comply with the subpoena within such time as the court shall direct and may hold the person in  
18 contempt.

19       (2) The division, on behalf of the council, may bring suit in a court of proper jurisdiction in the  
20 name of the Bureau of Labor and Industries, or in the name of an apprentice on behalf of the ap-  
21 prentice, through the district attorney or the Attorney General.

22       (3) The council and the division may adopt rules that are reasonably necessary to enforce and  
23 administer ORS 660.002 to 660.210. In adopting the rules, the council and the division shall comply  
24 with ORS chapter 183. In addition, if the council and the division find that it would be impractical  
25 for a number or all of the local joint committees in the state to develop criteria concerning a par-  
26 ticular matter, the council and the division may adopt rules on the matter. The rules shall govern  
27 on that matter except to the extent that a local joint committee's approved standards contain ex-  
28 ceptions.

29       (4) The council and the division also shall:

30       (a) Establish policy of the program so as to encourage the promotion, expansion and improve-  
31 ment of programs of apprenticeship and training;

32       (b) Approve and register program standards and modifications to program standards that are  
33 submitted by appropriate local joint committees as provided in ORS 660.126, if the standards and  
34 modifications are in substantial conformity with the statewide standards approved under ORS  
35 660.155;

36       (c) Establish committees and approve nominations of members and alternates to local joint  
37 committees and state joint committees to ensure balanced representation of employer and employee  
38 groups;

39       (d) Deregister standards and terminate entire programs, and remove any or all members of any  
40 committee, for inactivity or inadequate activity, or for failure to abide by the provisions of ORS  
41 660.002 to 660.210 or by the rules and policies of the council and the division;

42       (e) Cooperate with interested state and federal agencies, including the Department of Education,  
43 the State Workforce *[Investment]* **and Talent Development** Board and other providers of related  
44 training and curriculum such as community college districts, community college service districts,  
45 education service districts and recognized industry programs; and

1 (f) Perform such other functions and duties as are necessary or appropriate to carry out the  
2 purposes of ORS 660.002 to 660.210.

3 (5) The council shall hold at least four regular public meetings each year. Executive sessions  
4 shall be held on call of the chairperson, or at the written request of a majority of the members of  
5 the council.

6 **SECTION 28.** ORS 678.425 is amended to read:

7 678.425. The Oregon Center for Nursing and the Oregon Healthcare Workforce Institute may  
8 serve in advisory capacities to the State Workforce [*Investment*] **and Talent Development** Board,  
9 the Higher Education Coordinating Commission and other related entities. The Oregon Center for  
10 Nursing may advise on education and workforce development issues affecting nursing. The Oregon  
11 Healthcare Workforce Institute may advise on education and workforce development issues affecting  
12 doctors, dentists and other allied health professionals. The Oregon Center for Nursing and the  
13 Oregon Healthcare Workforce Institute may work together to develop comprehensive solutions to  
14 the healthcare workforce shortages in Oregon.

15 **SECTION 29.** ORS 285C.050 is amended to read:

16 285C.050. As used in ORS 285C.050 to 285C.250, unless the context requires otherwise:

17 (1) "Assessment date" and "assessment year" have the meanings given those terms in ORS  
18 308.007.

19 (2) "Authorized business firm" means an eligible business firm that has been authorized under  
20 ORS 285C.140.

21 (3) "Business firm" means a person operating or conducting one or more trades or businesses,  
22 a people's utility district organized under ORS chapter 261 or a joint operating agency formed under  
23 ORS chapter 262, but does not include any other governmental agency, municipal corporation or  
24 nonprofit corporation.

25 (4) "County average annual wage" means:

26 (a) The most recently available average annual covered payroll for the county in which the en-  
27 terprise zone is located, as determined by the Employment Department; or

28 (b) If the enterprise zone is located in more than one county, the highest county average annual  
29 wage as determined under paragraph (a) of this subsection.

30 (5) "Electronic commerce" means engaging in commercial or retail transactions predominantly  
31 over the Internet or a computer network, utilizing the Internet as a platform for transacting busi-  
32 ness, or facilitating the use of the Internet by other persons for business transactions, and may be  
33 further defined by the Oregon Business Development Department by rule.

34 (6) "Eligible business firm" means a firm engaged in an activity described under ORS 285C.135  
35 that may file an application for authorization under ORS 285C.140.

36 (7) "Employee" means a person who works more than 32 hours per week, but does not include  
37 a person with a temporary or seasonal job or a person hired solely to construct qualified property.

38 (8) "Enterprise zone" means one of the 30 areas designated or terminated and redesignated by  
39 order of the Governor under ORS 284.160 (1987 Replacement Part) before October 3, 1989, one of the  
40 areas designated by the Director of the Oregon Business Development Department under ORS  
41 285C.080 before October 5, 2015, an area designated under ORS 285C.065, a federal enterprise zone  
42 area designated under ORS 285C.085, an area designated under ORS 285C.250 or a reservation en-  
43 terprise zone designated, or a reservation partnership zone cosponsored, under ORS 285C.306.

44 (9) "Federal enterprise zone" means any discrete area wholly or partially within this state that  
45 is designated as an empowerment zone, an enterprise community, a renewal community or some

1 similar designation for purposes of improving the economic and community development of the area.

2 (10) "First-source hiring agreement" means an agreement between an authorized business firm  
3 and a publicly funded job training provider whereby the provider refers qualified candidates to the  
4 firm for new jobs and job openings in the firm.

5 (11) "In service" means being used or occupied or fully ready for use or occupancy for com-  
6 mercial purposes consistent with the intended operations of the business firm as described in the  
7 application for authorization.

8 (12) "Modification" means modernization, renovation or remodeling of an existing building,  
9 structure or real property machinery or equipment.

10 (13) "New employees hired by the firm":

11 (a) Includes only those employees of an authorized business firm engaged for a majority of their  
12 time in eligible operations.

13 (b) Does not include individuals employed in a job or position that:

14 (A) Is created and first filled after December 31 of the first tax year in which qualified property  
15 of the firm is exempt under ORS 285C.175;

16 (B) Existed prior to the submission of the relevant application for authorization; or

17 (C) Is performed primarily at a location outside of the enterprise zone.

18 (14) "Publicly funded job training provider" includes but is not limited to a community college,  
19 a service provider under the federal Workforce [*Investment Act Title I-B (29 U.S.C. 2801 et seq.)*]  
20 **Innovation and Opportunity Act**, or a similar program.

21 (15) "Qualified business firm" means a business firm described in ORS 285C.200, the qualified  
22 property of which is exempt from property tax under ORS 285C.175.

23 (16) "Qualified property" means property described under ORS 285C.180.

24 (17) "Rural enterprise zone" means:

25 (a) An enterprise zone located in an area of this state in which an urban enterprise zone could  
26 not be located; or

27 (b) A reservation enterprise zone designated, or a reservation partnership zone cosponsored,  
28 under ORS 285C.306.

29 (18) "Sparsely populated county" means a county with a density of 100 or fewer persons per  
30 square mile, based on the most recently available population figure for the county from the Portland  
31 State University Population Research Center.

32 (19) "Sponsor" means:

33 (a) The city, county or port, or any combination of cities, counties or ports, that received ap-  
34 proval of an enterprise zone under ORS 284.150 and 284.160 (1987 Replacement Part), under ORS  
35 285C.080 before October 5, 2015, or under ORS 285C.085 or 285C.250 or that designated an enterprise  
36 zone under ORS 285C.065 or 285C.250;

37 (b) The tribal government, in the case of a reservation enterprise zone;

38 (c) The tribal government and the cosponsoring city, county or port, in the case of a reservation  
39 partnership zone; or

40 (d) A city, county or port that joined the enterprise zone through a boundary change under ORS  
41 285C.115 (6) or a port that joined the enterprise zone under ORS 285C.068.

42 (20) "Tax year" has the meaning given that term in ORS 308.007.

43 (21) "Urban enterprise zone" means an enterprise zone in a metropolitan statistical area, as  
44 defined by the most recent federal decennial census, that is located inside a regional or metropolitan  
45 urban growth boundary.

1 (22) "Year" has the meaning given that term in ORS 308.007.

2 **SECTION 30.** ORS 350.150 is amended to read:

3 350.150. (1) The Office of Community Colleges and Workforce Development is established within  
4 the Higher Education Coordinating Commission. The office shall function under the direction and  
5 control of the commission, with the Director of the Office of Community Colleges and Workforce  
6 Development serving as an administrative officer for community college matters.

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

10 (3) The commission, in consultation with **the State Workforce and Talent Development**  
11 **Board, workforce partners** [*the office*] and the Education and Workforce Policy Advisor and pur-  
12 suant to ORS chapter 183, may adopt any rules necessary for the administration of laws related to  
13 the federal Workforce [*Investment*] **Innovation and Opportunity** Act that the office **or commission**  
14 is charged with administering.

15 **SECTION 31.** ORS 350.170 is amended to read:

16 350.170. (1) The Higher Education Coordinating Commission shall establish by rule a process for  
17 making grants or loans to public-private partnerships to provide advanced technology education and  
18 training opportunities. The purpose of the grants and loans is to support the development and im-  
19 plementation of public-private partnerships to provide advanced technology education and training  
20 opportunities in all business and industry sectors for individuals in communities throughout Oregon.  
21 The partnerships shall be between public and private entities and may include joint ventures among  
22 business and industry, school districts, education service districts, eligible post-secondary insti-  
23 tutions as defined in ORS 348.180 and public bodies as defined in ORS 174.109.

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

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

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

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

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

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

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

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

38 (b) Advanced technology education and training projects are geographically distributed  
39 throughout Oregon;

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

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

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

45 (4) When considering applications for grants and loans, the Office of Community Colleges and



1 Workforce Development shall give priority to advanced technology education and training projects  
2 that:

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

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

8 (c) Use federal funds;

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

11 (e) Represent an effective sharing of resources through public-private partnerships among busi-  
12 ness and industry, school districts, education service districts, eligible post-secondary institutions  
13 as defined in ORS 348.180 and public bodies as defined in ORS 174.109;

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

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

17 (h) Help individuals connect education and training with career planning and job opportunities  
18 through local and regional career centers as implemented under the federal Workforce [*Investment*]  
19 **Innovation and Opportunity** Act;

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

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

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

26 (A) Infrastructure construction or reconstruction.

27 (B) Equipment or technology purchases.

28 (C) Curriculum development.

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

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

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

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

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

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

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

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

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

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

45 (8) Any moneys received by the commission through repayment of a loan awarded under this

1 section, or received by the commission under subsection (7) of this section, shall be deposited by the  
2 commission in the Advanced Technology Education and Training Fund established under ORS  
3 350.165.

4 **SECTION 32.** ORS 418.658 is amended to read:

5 418.658. (1) The program director of the Oregon Youth Conservation Corps shall establish a  
6 separate program known as the Oregon Community Stewardship Corps. In addition to the estab-  
7 lished purposes of the Oregon Youth Conservation Corps, the purpose of the Oregon Community  
8 Stewardship Corps is to promote community service activities throughout the state for a broad cross  
9 section of Oregon disadvantaged and at-risk youth through programs that also include appropriate  
10 educational and job training opportunities for participants.

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

- 13 (a) Child care services.
- 14 (b) Elderly and disabled care services.
- 15 (c) Literacy education programs.
- 16 (d) Recycling and other waste reduction services.

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

19 (4) Under rules adopted by the Higher Education Coordinating Commission, participants who  
20 successfully complete any 12-month program under this section shall be eligible for \$1,500 in tuition  
21 vouchers that can be used at any career school or post-secondary educational institution that is  
22 qualified to receive assistance through the Executive Director of the Office of Student Access and  
23 Completion.

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

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

33 (a) The availability of other resources on a matching basis, including contributions from private  
34 sources, other federal, state and local agencies, and moneys available through the federal Workforce  
35 *[Investment Act of 1998 (29 U.S.C. 2801 et seq.)]* **Innovation and Opportunity Act;**

36 (b) The provision of related educational and job training programs to participants, including but  
37 not limited to school and college coursework, General Educational Development (GED) tests equiv-  
38 alency training, project-related education and professional training;

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

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

43 (7) In consultation with the advisory committee *[and the Director of the Office of Community*  
44 *Colleges and Workforce Development]*, the program director shall make grants for programs admin-  
45 istered under this section.

1        **SECTION 33.** ORS 657.345 is amended to read:

2        657.345. (1) Individuals who are identified as dislocated workers under the federal Workforce  
3        [*Investment Act of 1998 (29 U.S.C. 2801 et seq.)*] **Innovation and Opportunity Act**, and implementing  
4        regulations, and who attend training programs identified under the Act shall be considered to be in  
5        approved career and technical training. The training shall be for occupations or skills for which  
6        there are or are expected to be reasonable employment opportunities in the area or in another area  
7        to which the individual is willing to relocate or which relate to the development of a self-  
8        employment enterprise for which there is reasonable opportunity for success.

9        (2) In approving career and technical training for eligible dislocated workers who do not attend  
10       training programs identified in subsection (1) of this section, the Director of the Employment De-  
11       partment shall require:

12       (a) That the career and technical training relates to an occupation or skill for which there are,  
13       or are expected to be, reasonable employment opportunities in this state or relates to the develop-  
14       ment of a self-employment enterprise for which there is a reasonable opportunity for success.

15       (b) That the individual has the qualifications and aptitudes to successfully complete such career  
16       and technical training.

17       **SECTION 34.** ORS 329.850 is amended to read:

18       329.850. (1) The Education and Workforce Policy Advisor, in consultation with the Department  
19       of Education, the [*Office of Community Colleges and Workforce Development*] **Higher Education**  
20       **Coordinating Commission**, the Bureau of Labor and Industries, the Oregon Business Development  
21       Department and the Department of Human Services, shall propose policies and strategies consistent  
22       with this chapter.

23       (2) The Education and Workforce Policy Advisor's policies and strategies must take into account  
24       that:

25       (a) The state must promote innovative thinking with respect to the curriculum and educational  
26       delivery system of Oregon public schools;

27       (b) The state must require of all youth a level of achievement that prepares them to pursue  
28       college, career and technical education programs, apprenticeships, work-based training and school-  
29       to-work programs;

30       (c) Greater employer investment is essential in the ongoing training of all workers to meet  
31       workforce needs;

32       (d) The state must encourage Oregon businesses to improve productivity by creating high per-  
33       formance work organizations that provide high skills and high wage opportunities for youth and  
34       adults; and

35       (e) All employment-related training, education and job placement services and sources of funds  
36       must be coordinated among state agencies and boards and must complement the state's overall ef-  
37       forts on behalf of youth and adults.

38       **SECTION 35.** ORS 458.675 is amended to read:

39       458.675. The Legislative Assembly finds that:

40       (1) The problem of poverty will not be solved solely by government programs and income sub-  
41       sidies.

42       (2) Family economic well-being does not come solely from income, spending or consumption, but  
43       instead requires savings, investment and the accumulation of assets.

44       (3) It is appropriate for the state to institute an asset-based antipoverty strategy.

45       (4) The state has an opportunity to take advantage of private and federal resources by making

1 the transition to an asset-based antipoverty strategy. Those resources include, but are not limited  
2 to, the Assets for Independence Act (42 U.S.C. 604) and the Workforce [*Investment Act (P.L.*  
3 *105-220)*] **Innovation and Opportunity Act (29 U.S.C. 3101 et seq.)**.

4 (5) Investment through an individual development account system will help lower income  
5 households obtain the assets they need to succeed. Communities and this state will experience re-  
6 sultant economic and social benefits accruing from the promotion of job training and higher educa-  
7 tion, home ownership and small business development.

8 (6) It is desirable for this state to enact legislation that enables an authorized fiduciary organ-  
9 ization sufficient flexibility to receive private, state and federal moneys for individual development  
10 accounts. The Legislative Assembly should periodically review the provisions of ORS 458.675 to  
11 458.700 to ensure that this state maximizes the receipt of available federal moneys for individual  
12 development accounts.

13 **SECTION 36.** ORS 461.740 is amended to read:

14 461.740. (1) It is the policy of the State of Oregon that any firm receiving benefit from state  
15 lottery-funded programs should undertake a good faith effort to hire and retain as employees low-  
16 income individuals who have received job training assistance from publicly funded job training pro-  
17 viders.

18 (2) The Oregon Business Development Department may require any firm receiving benefit from  
19 state lottery-funded programs the department administers to enter into a first-source hiring agree-  
20 ment with publicly funded job training providers.

21 (3) Publicly funded job training providers shall coordinate their services and establish an  
22 agreement outlining the process by which they will respond to firms receiving benefit. This agree-  
23 ment shall be submitted to the department for its review and approval.

24 (4) As used in this section:

25 (a) "Firm receiving benefit" means any business that benefits directly or substantially from any  
26 program financed by state lottery funds and is certified as such a firm by the state agency that ad-  
27 ministers the lottery-funded program.

28 (b) "First-source hiring agreement" means an agreement between a firm receiving benefits and  
29 a publicly funded job training provider whereby the job provider refers qualified candidates to the  
30 firm for new jobs and job openings, excluding professional, managerial, technical and seasonal posi-  
31 tions which the Director of the Oregon Business Development Department determines cannot be  
32 filled by persons likely to be referred by publicly funded job training providers.

33 (c) "Publicly funded job training provider" includes, but is not limited to, community colleges,  
34 service providers under the federal Workforce [*Investment Act Title I-B (29 U.S.C. 2801 et seq.)*] **In-**  
35 **novation and Opportunity Act** and other similar programs.

36 **SECTION 37.** ORS 657.380 is amended to read:

37 657.380. (1) Notwithstanding any other provision of this chapter, for the purposes of ORS 657.370  
38 to 657.390, an individual is unemployed and eligible to receive shared work benefits with respect to  
39 any week if, in addition to meeting all other eligibility requirements of this chapter, the Director  
40 of the Employment Department finds that:

41 (a) During the week the individual is employed as a member of an affected group in an approved  
42 plan that was approved prior to the week and is in effect for the week.

43 (b) During the week the individual's normal weekly hours of work were reduced, in accordance  
44 with an approved plan, at least 20 percent but not more than 40 percent, with a corresponding re-  
45 duction in wages.

1 (2) Shared work benefits may not be paid to an eligible individual in an amount greater than  
2 26 times the individual's weekly benefit amount of regular benefits.

3 (3) The total amount of regular benefits and shared work benefits paid to an individual in a  
4 benefit year may not exceed the total for the benefit year as provided in ORS 657.150 (5).

5 (4) An otherwise eligible individual may not be denied benefits under this section:

6 (a) Because of the application of any provision of this chapter relating to availability for work,  
7 active search for work or refusal to apply for or accept work from other than the individual's shared  
8 work employer.

9 (b) For participating in training to enhance the job skills of the individual, if the training is  
10 sponsored by the employer or funded under the federal Workforce [*Investment Act of 1998 (29 U.S.C.*  
11 *2801 et seq.*] **Innovation and Opportunity Act**, and approved by the director.

12 **SECTION 38.** ORS 657.610 is amended to read:

13 657.610. The Director of the Employment Department may:

14 (1) For purposes of administration and control, and with the approval of the Governor, organize  
15 and reorganize the department in whatever manner the director considers appropriate to carry out  
16 the duties, functions and powers of the department.

17 (2) Appoint all subordinate officers and employees of the department, whether classified or un-  
18 classified, and prescribe their duties and compensation, subject to applicable provisions of the State  
19 Personnel Relations Law.

20 (3) Delegate to departmental officers and employees such responsibility and authority as the  
21 director determines necessary.

22 (4)(a) Determine all questions of general policy for this chapter;

23 (b) Adopt rules for this chapter; and

24 (c) Administer and enforce this chapter.

25 (5) Sue and be sued in the name of the director, and shall have a seal bearing the name of the  
26 Employment Department.

27 (6) Adopt proper rules to regulate the mode and manner of all investigations.

28 (7) Prescribe the time, place and manner of making claims for benefits under this chapter, the  
29 kind and character of notices required thereunder and the procedure for investigating and deciding  
30 claims.

31 (8) Enter into contracts relating to the federal Workforce [*Investment*] **Innovation and Oppor-**  
32 **tunity Act** deemed necessary by the director to fulfill the mission of the department. The director  
33 may enter into contracts with other states or governments, public bodies or persons to provide or  
34 receive services. Contracts entered into by the director shall be executed in the name of the state,  
35 by and through the Employment Department.

36 **SECTION 39.** ORS 657.665 is amended to read:

37 657.665. (1) Except as provided in subsections (2) to (5) of this section, all information in the  
38 records of the Employment Department pertaining to the administration of the unemployment in-  
39 surance, employment service and labor market information programs:

40 (a) Is confidential and for the exclusive use and information of the Director of the Employment  
41 Department in administering the unemployment insurance, employment service and labor market  
42 information programs in Oregon.

43 (b) May not be used in any court action or in any proceeding pending in the court unless the  
44 director or the state is a party to the action or proceeding or unless the proceeding concerns the  
45 establishment, enforcement or modification of a support obligation and support services are being

1 provided by the Division of Child Support or the district attorney pursuant to ORS 25.080.

2 (c) Is exempt from disclosure under ORS 192.410 to 192.505.

3 (2) The Employment Department shall disclose information:

4 (a) To any claimant or legal representative, at a hearing before an administrative law judge, to  
5 the extent necessary for the proper presentation of an unemployment insurance claim.

6 (b) Upon request to the United States Secretary of Labor. The Employment Department shall  
7 disclose the information in a form and containing the information that the United States Secretary  
8 of Labor may require. The information disclosed is confidential and may not be used for any other  
9 purpose.

10 (c) Pursuant to section 303(a)(7) of the Social Security Act, upon request to any agency of the  
11 United States charged with the administration of public works or assistance through public em-  
12 ployment. Under this paragraph, the Employment Department shall disclose the name, address, or-  
13 dinary occupation and employment status of each recipient of unemployment insurance benefits and  
14 a statement of the recipient's right to further benefits under this chapter. The information disclosed  
15 is confidential and may not be used for any other purpose.

16 (d) Pursuant to section 303(c)(1) of the Social Security Act, to the Railroad Retirement Board.  
17 Under this paragraph, the Employment Department shall disclose unemployment insurance records.  
18 The information disclosed is confidential and may not be used for any other purpose. The costs of  
19 disclosing information under this paragraph shall be paid by the board.

20 (e) Pursuant to section 303(d) of the Social Security Act, upon request to officers and employees  
21 of the United States Department of Agriculture and to officers or employees of any state Supple-  
22 mental Nutrition Assistance Program agency for the purpose of determining an individual's eligibil-  
23 ity for or the amount of supplemental nutrition assistance. The information disclosed is confidential  
24 and may not be used for any other purpose. The costs of disclosing information under this paragraph  
25 shall be paid by the United States Department of Agriculture.

26 (f) Pursuant to section 303(e)(1) and (2)(A)(ii) of the Social Security Act, to state or local child  
27 support enforcement agencies enforcing child support obligations under Title IV-D of the Social Se-  
28 curity Act for the purposes of establishing child support obligations, locating individuals owing child  
29 support obligations and collecting child support obligations from those individuals. The information  
30 disclosed is confidential and may not be used for any other purpose. The costs of disclosing infor-  
31 mation under this paragraph shall be paid by the child support enforcement agency.

32 (g) Pursuant to sections 303(f) and 1137 of the Social Security Act, to agencies participating in  
33 the income and eligibility verification system for the purpose of verifying an individual's eligibility  
34 for benefits, or the amount of benefits, under unemployment insurance, temporary assistance for  
35 needy families, Medicaid, the Supplemental Nutrition Assistance Program, Supplemental Security  
36 Income, child support enforcement or Social Security programs. The information disclosed is confi-  
37 dential and may not be used for any other purpose. The costs of disclosing information under this  
38 paragraph shall be paid by the requesting agency.

39 (h) Pursuant to section 303(h) of the Social Security Act and section 3304(a)(16)(B) of the Federal  
40 Unemployment Tax Act, to the United States Department of Health and Human Services National  
41 Directory of New Hires. The information disclosed is confidential and may not be used for any other  
42 purpose. The costs of disclosing information under this paragraph shall be paid by the United States  
43 Department of Health and Human Services.

44 (i) Pursuant to section 303(i) of the Social Security Act, to officers and employees of the United  
45 States Department of Housing and Urban Development and to representatives of a public housing

1 agency for the purpose of determining an individual's eligibility for benefits, or the amount of ben-  
2 efits, under a housing assistance program of the United States Department of Housing and Urban  
3 Development. The information disclosed is confidential and may not be used for any other purpose.  
4 The costs of disclosing information under this paragraph shall be paid by the United States De-  
5 partment of Housing and Urban Development or the public housing agency.

6 (j) Pursuant to regulations of the United States Secretary of Health and Human Services issued  
7 under section 3304(a)(16)(A) of the Federal Unemployment Tax Act, and except as required by sec-  
8 tion 303 of the Social Security Act, to the state, a political subdivision or a federally recognized  
9 Indian tribe that has signed an agreement with the Department of Human Services to administer  
10 Part A of Title IV of the Social Security Act for the purpose of determining an individual's eligibility  
11 for assistance, or the amount of assistance, under a program funded under Part A of Title IV of the  
12 Social Security Act. The information disclosed is confidential and may not be used for any other  
13 purpose.

14 (k) Upon request, to the United States Attorney's Office. Under this paragraph, the Employment  
15 Department may disclose an individual's employment and wage information in response to a federal  
16 grand jury subpoena or for the purpose of collecting civil and criminal judgments, including  
17 restitution and special assessment fees. The information disclosed is confidential and may not be  
18 used for any other purpose. The costs of disclosing information under this paragraph shall be paid  
19 by the United States Attorney's Office.

20 (3) The Employment Department may disclose information secured from employing units:

21 (a) To agencies of this state, federal agencies and local government agencies to the extent nec-  
22 essary to properly carry out governmental planning, performance measurement, program analysis,  
23 socioeconomic analysis and policy analysis functions performed under applicable law. The informa-  
24 tion disclosed is confidential and may not be disclosed by the agencies in any manner that would  
25 identify individuals, claimants, employees or employing units. If the information disclosed under this  
26 paragraph is not prepared for the use of the Employment Department, the costs of disclosing the  
27 information shall be paid by the agency requesting the information.

28 (b) As part of a geographic information system. Points on a map may be used to represent eco-  
29 nomic data, including the location, employment size class and industrial classification of businesses  
30 in Oregon. Information presented as part of a geographic information system may not give specific  
31 details regarding a business's address, actual employment or proprietary information. If the infor-  
32 mation disclosed under this paragraph is not prepared for the use of the Employment Department,  
33 the costs of disclosing the information shall be paid by the party requesting the information.

34 (c) In accordance with ORS 657.673.

35 (4) The Employment Department may:

36 (a) Disclose information to public employees in the performance of their duties under state or  
37 federal laws relating to the payment of unemployment insurance benefits, the provision of employ-  
38 ment services and the provision of labor market information.

39 (b) At the discretion of the Director of the Employment Department and subject to an intera-  
40 gency agreement, disclose information to public officials in the performance of their official duties  
41 administering or enforcing laws within their authority and to the agents or contractors of public  
42 officials. The public official shall agree to assume responsibility for misuse of the information by  
43 the official's agent or contractor.

44 (c) Disclose information pursuant to an informed consent, received from an employer or claim-  
45 ant, to disclose the information.

1 (d) Disclose information to partners under the federal Workforce [*Investment Act of 1998*] **In-**  
2 **novation and Opportunity Act** for the purpose of administering state workforce programs under  
3 the Act. The information disclosed is confidential and may not be used for any other purpose. The  
4 costs of disclosing information under this paragraph shall be paid by the requesting partner.

5 (e) Disclose the names and addresses of employing units to the Bureau of Labor and Industries  
6 for the purpose of disseminating information to employing units. The names and addresses disclosed  
7 are confidential and may not be used for any other purpose. If the information disclosed under this  
8 paragraph is not prepared for the use of the Employment Department, the costs of disclosing the  
9 information shall be paid by the bureau.

10 (f) Disclose information to the Commissioner of the Bureau of Labor and Industries for the  
11 purpose of performing duties under ORS 279C.800 to 279C.870, 658.005 to 658.245 or 658.405 to  
12 658.503 or ORS chapter 652, 653 or 659A. The information disclosed may include the names and ad-  
13 dresses of employers and employees and payroll data of employers and employees. The information  
14 disclosed is confidential and may not be used for any other purpose. If the information disclosed  
15 under this paragraph is not prepared for the use of the Employment Department, the costs of dis-  
16 closing the information shall be paid by the bureau.

17 (g) Disclose information required under ORS 657.660 (3) and (4) to the Public Employees Re-  
18 tirement System for the purpose of determining the eligibility of members of the retirement system  
19 for disability retirement allowances under ORS chapter 238. The information disclosed is confiden-  
20 tial and may not be used for any other purpose. The costs of disclosing information under this par-  
21 agraph shall be paid by the Public Employees Retirement System.

22 (h) Disclose to the Oregon Business Development Commission information required by the com-  
23 mission in performing its duty under ORS 285A.050 to verify changes in employment levels following  
24 direct employer participation in Oregon Business Development Department programs or indirect  
25 participation through municipalities under ORS 285B.410 to 285B.482. The information disclosed to  
26 the commission may include an employer's employment level, total subject wages payroll and whole  
27 hours worked. The information disclosed is confidential and may not be used for any other purpose.  
28 The commission may not disclose the information in any manner that would identify an employing  
29 unit or employee except to the extent necessary to carry out the commission's duty under ORS  
30 285A.050. If the information disclosed under this paragraph is not prepared for the use of the Em-  
31 ployment Department, the costs of disclosing the information shall be paid by the commission.

32 (i) Disclose information to the Department of Revenue for the purpose of performing its duties  
33 under ORS 293.250 or under the revenue and tax laws of this state. The information disclosed may  
34 include the names and addresses of employers and employees and payroll data of employers and  
35 employees. The information disclosed is confidential and may not be disclosed by the Department  
36 of Revenue in any manner that would identify an employing unit or employee except to the extent  
37 necessary to carry out the department's duties under ORS 293.250 or in auditing or reviewing any  
38 report or return required or permitted to be filed under the revenue and tax laws administered by  
39 the department. The Department of Revenue may not disclose any information received to any pri-  
40 vate collection agency or for any other purpose. If the information disclosed under this paragraph  
41 is not prepared for the use of the Employment Department, the costs of disclosing the information  
42 shall be paid by the Department of Revenue.

43 (j) Disclose information to the Department of Consumer and Business Services for the purpose  
44 of performing its duties under ORS chapters 654 and 656. The information disclosed may include the  
45 name, address, number of employees and industrial classification code of an employer and payroll



1 data of employers and employees. The information disclosed is confidential and may not be disclosed  
2 by the Department of Consumer and Business Services in any manner that would identify an em-  
3 ploying unit or employee except to the extent necessary to carry out the department's duties under  
4 ORS chapters 654 and 656, including administrative hearings and court proceedings in which the  
5 Department of Consumer and Business Services is a party. If the information disclosed under this  
6 paragraph is not prepared for the use of the Employment Department, the costs of disclosing the  
7 information shall be paid by the Department of Consumer and Business Services.

8 (k) Disclose information to the Construction Contractors Board for the purpose of performing  
9 its duties under ORS chapter 701. The information disclosed to the board may include the names and  
10 addresses of employers and status of their compliance with this chapter. If the information disclosed  
11 under this paragraph is not prepared for the use of the Employment Department, the costs of dis-  
12 closing the information shall be paid by the board.

13 (L) Disclose information to the State Fire Marshal to assist the State Fire Marshal in carrying  
14 out duties under ORS 453.307 to 453.414. The information disclosed may include the name, address,  
15 telephone number and industrial classification code of an employer. The information disclosed is  
16 confidential and may not be disclosed by the State Fire Marshal in any manner that would identify  
17 an employing unit except to the extent necessary to carry out duties under ORS 453.307 to 453.414.  
18 If the information disclosed under this paragraph is not prepared for the use of the Employment  
19 Department, the costs of disclosing the information shall be paid by the office of the State Fire  
20 Marshal.

21 (m) Disclose information to the Higher Education Coordinating Commission for the purpose of  
22 performing the commission's duties under ORS chapter 348 and Title IV of the Higher Education  
23 Act of 1965. The information disclosed may include the names and addresses of employers and em-  
24 ployees and payroll data of employers and employees. The information disclosed is confidential and  
25 may not be disclosed by the commission in any manner that would identify an employing unit or  
26 employee except to the extent necessary to carry out the commission's duties under ORS chapter  
27 348 or Title IV of the Higher Education Act of 1965. If the information disclosed under this para-  
28 graph is not prepared for the use of the Employment Department, the costs of disclosing the infor-  
29 mation shall be paid by the commission.

30 (n) Disclose information to the Department of Transportation to assist the Department of  
31 Transportation in carrying out the duties of the Department of Transportation relating to collection  
32 of delinquent and liquidated debts, including taxes, under ORS 184.610 to 184.656, 184.670 to 184.733  
33 and 805.263, ORS chapter 319 and the Oregon Vehicle Code. The information disclosed may include  
34 the names and addresses of employers and employees and payroll data of employers and employees.  
35 The information disclosed is confidential and may not be disclosed by the Department of Transpor-  
36 tation in any manner that would identify an employing unit or employee except to the extent nec-  
37 essary to carry out the Department of Transportation's duties relating to collection of delinquent  
38 and liquidated debts or in auditing or reviewing any report or return required or permitted to be  
39 filed under the revenue and tax laws administered by the Department of Transportation. The De-  
40 partment of Transportation may not disclose any information received to any private collection  
41 agency or for any other purpose. If the information disclosed under this paragraph is not prepared  
42 for the use of the Employment Department, the costs of disclosing the information shall be paid by  
43 the Department of Transportation.

44 (o) Disclose information to the Department of Human Services and the Oregon Health Authority  
45 to assist the Department of Human Services and the Oregon Health Authority in the collection of

1 debts that the Department of Human Services and the Oregon Health Authority are authorized by  
 2 law to collect. The information disclosed may include the names, addresses and payroll data of em-  
 3 ployers and employees. The information disclosed is confidential and may not be disclosed by the  
 4 Department of Human Services or the Oregon Health Authority in a manner that would identify an  
 5 employing unit or employee except to the extent necessary for the collection of debts as described  
 6 in this paragraph. The Department of Human Services and the Oregon Health Authority may not  
 7 disclose information received under this paragraph to a private collection agency or use the infor-  
 8 mation for a purpose other than the collection of debts as described in this paragraph. If the infor-  
 9 mation disclosed under this paragraph is not prepared for the use of the Employment Department,  
 10 the costs of disclosing the information shall be paid by the Department of Human Services or the  
 11 Oregon Health Authority.

12 (p) Disclose to the Alcohol and Drug Policy Commission information required by the commission  
 13 in evaluating and measuring the performance of alcohol and drug prevention and treatment pro-  
 14 grams under ORS 430.242 or the impact of the programs on employment. The information disclosed  
 15 to the commission may include total subject wages payroll and whole hours worked. The information  
 16 disclosed under this paragraph is confidential and may not be used for any other purpose. The  
 17 commission may not disclose the information in any manner that would identify an employing unit  
 18 or employee except to the extent necessary to carry out the commission's duties under ORS 430.242.  
 19 If the information disclosed under this paragraph is not prepared for the use of the Employment  
 20 Department, the costs of disclosing the information shall be paid by the commission.

21 (q) Disclose to any person establishment level information secured pursuant to this chapter from  
 22 federal, state and local government employing units. If the information disclosed under this para-  
 23 graph is not prepared for the use of the Employment Department, the costs of disclosing the infor-  
 24 mation shall be paid by the party requesting the information.

25 (r) Disclose to any person the industrial classification code assigned to an employing unit. If the  
 26 information disclosed under this paragraph is not prepared for the use of the Employment Depart-  
 27 ment, the costs of disclosing the information shall be paid by the party requesting the information.

28 (5) The Employment Department may make public all decisions of the Employment Appeals  
 29 Board.

30 (6) Any officer appointed by or any employee of the Director of the Employment Department  
 31 who discloses confidential information, except with the authority of the director, pursuant to rules  
 32 or as otherwise required by law, may be disqualified from holding any appointment or employment  
 33 with the Employment Department.

34 (7) Any person or any officer or employee of an entity to whom information is disclosed by the  
 35 Employment Department under this section who divulges or uses the information for any purpose  
 36 other than that specified in the provision of law or agreement authorizing the use or disclosure may  
 37 be disqualified from performing any service under contract or disqualified from holding any ap-  
 38 pointment or employment with the state agency that engaged or employed that person, officer or  
 39 employee. The Employment Department may immediately cancel or modify any information sharing  
 40 agreement with an entity when a person or an officer or employee of that entity discloses confi-  
 41 dential information, other than as specified in law or agreement.

42 **SECTION 40.** ORS 657.730 is amended to read:

43 657.730. (1) As used in this section, unless the context requires otherwise:

44 (a) "Labor market analysis" means the measurement and evaluation of economic forces as they  
 45 relate to the employment process in the local labor market area. Variables affecting labor market

1 relationships include, but are not limited to, such factors as labor force changes and characteristics,  
2 population changes and characteristics, occupational and industrial structure and development,  
3 technological developments, shifts in consumer demand, volume and extent of unionization and trade  
4 disputes, recruitment practices, wage levels, conditions of employment and training opportunities.

5 (b) "Labor market area" means an economically integrated geographic area within which indi-  
6 viduals can reside and find employment within a reasonable distance or can readily change em-  
7 ployment without changing their place of residence. Such areas shall be identified in accordance  
8 with criteria used by the Bureau of Labor Statistics of the United States Department of Labor in  
9 defining such areas or similar criteria established by the Director of the Employment Department.  
10 The area generally takes the name of its community. The boundaries depend primarily on economic  
11 and geographic factors. The State of Oregon is divided into labor market areas, which usually in-  
12 clude a county or group of contiguous counties.

13 (c) "Labor market information" means the body of information generated from measurement and  
14 evaluation of the socioeconomic factors and variables influencing the employment process in the  
15 state and specific labor market areas. These socioeconomic factors and variables affect labor de-  
16 mand and supply relationships and include:

17 (A) Labor force information, which includes but is not limited to employment, unemployment,  
18 labor force participation, labor turnover and mobility, average hours and earnings and changes and  
19 characteristics of the population and labor force within specific labor market areas and the state;

20 (B) Occupational information, which includes but is not limited to occupational supply and de-  
21 mand estimates and projections, characteristics of occupations, wage levels, job duties, training and  
22 education requirements, conditions of employment, unionization, retirement practices and training  
23 opportunities;

24 (C) Economic information, which includes but is not limited to number of business starts and  
25 stops by industry and labor market area, information on employment growth and decline by industry  
26 and labor market area, employer establishment data and number of union disputes and strikes by  
27 industry and labor market area; and

28 (D) Program information, which includes but is not limited to program participant or student  
29 information gathered in cooperation with other state and local agencies along with related labor  
30 market information to evaluate the effectiveness, efficiency and impact of state and local employ-  
31 ment, training, education and job creation efforts in support of planning, management, implementa-  
32 tion and evaluation.

33 (2) The Director of the Employment Department shall have the following duties:

34 (a) Oversight, operation and management of a statewide comprehensive labor market and occu-  
35 pational supply and demand information system, including development of a five-year employment  
36 forecast for state and labor market areas.

37 (b) Preparation of local labor market information packages for the state's workforce system, in-  
38 cluding special studies and job impact analyses in support of state and local employment, training,  
39 education and job creation programs, especially activities that prevent job loss, reduce unemploy-  
40 ment and create jobs.

41 (c) Coordination with other appropriate public agencies to improve employment estimates by  
42 enhancing data on corporate officers, improving business establishment listings, expanding samples  
43 for employment estimates and developing business entry or exit analysis relevant to the generation  
44 of occupational and economic forecasts.

45 (d) Production of long-term and occupational employment forecasts in cooperation with other

1 appropriate agencies.

2 (e) Coordination with state workforce agencies as defined in ORS 660.300 to study ways to  
3 standardize federal and state multiagency administrative records, such as unemployment insurance  
4 information and other information to produce employment, training, education and economic analysis  
5 needed to improve labor market information products and services.

6 (f) Production of labor market information and economic analysis needed to facilitate the effi-  
7 cient and effective matching of the supply and demand of labor critical to an effective labor ex-  
8 change in Oregon. Information collected will be coordinated with other public agencies through  
9 cooperative data collection efforts for statistical analysis, research or studies including, but not  
10 limited to, agricultural labor supply and demand, high performance organizations, targeted industries  
11 programs, and industrial improvement and expansion.

12 (g) Administration of other appropriate labor market information activities including support of  
13 efforts by local workforce [*investment*] **development** boards, as defined in ORS 660.300, to align  
14 economic development, education and training with workforce development investments and services  
15 for job seekers and businesses to efficiently address local labor market needs and statewide  
16 workforce development priorities.

17 (3) To implement this section, the director shall have authority to:

18 (a) Establish rules and procedures to recover reasonable costs incurred in producing and pro-  
19 viding:

20 (A) Labor market information products developed by the Employment Department in the ordi-  
21 nary course of business when the request results in costs over and above the ordinary costs of  
22 production including, but not limited to, special publication runs, photocopying or supplying the  
23 copy in some other medium; and

24 (B) Special labor market information products in response to individual requests that incur costs  
25 beyond the ordinary costs of doing business including, but not limited to, computer time, staff costs,  
26 preparation and distribution of surveys, electronic scanning, and special data collection, formatting  
27 and analysis. The director may enter into agreements with other public agencies to provide special  
28 labor market information products in a quid pro quo arrangement.

29 (b) Receive federal set aside funds from federal programs that are authorized to fund state and  
30 local labor market information and are required to use such information in support of their pro-  
31 grams.

32 (c) Enter into agreements for statistical analysis, research or evaluation studies of privately and  
33 publicly funded employment, training, education and economic development programs.

34 **SECTION 40a. If Senate Bill 41 becomes law and House Bill 2312 does not become law,**  
35 **section 3, chapter \_\_, Oregon Laws 2017 (Enrolled Senate Bill 41) (amending ORS 657.730),**  
36 **is repealed and ORS 657.730, as amended by section 40 of this 2017 Act, is amended to read:**

37 657.730. (1) As used in this section, unless the context requires otherwise:

38 [(a) "*Labor market analysis*" means the measurement and evaluation of economic forces as they  
39 relate to the employment process in the local labor market area. Variables affecting labor market re-  
40 lationships include, but are not limited to, such factors as labor force changes and characteristics,  
41 population changes and characteristics, occupational and industrial structure and development, tech-  
42 nological developments, shifts in consumer demand, volume and extent of unionization and trade dis-  
43 putes, recruitment practices, wage levels, conditions of employment and training opportunities.]

44 [(b)] (a) "Labor market area" means an [economically integrated geographic area within which  
45 individuals can reside and find employment within a reasonable distance or can readily change em-

1 ployment without changing their place of residence. Such areas shall be identified in accordance  
 2 with criteria used by the Bureau of Labor Statistics of the United States Department of Labor in  
 3 defining such areas or similar criteria established by the Director of the Employment Department.  
 4 [*The area generally takes the name of its community.*] The boundaries depend primarily on economic  
 5 and geographic factors. The State of Oregon is divided into labor market areas, **including local**  
 6 **workforce areas**, which usually include a county or group of contiguous counties.

7 [(c)] (b) “**Workforce and labor market information**” means the body of information generated  
 8 from measurement and evaluation of the socioeconomic factors and variables influencing the em-  
 9 ployment process in the state and specific labor market areas. These socioeconomic factors and  
 10 variables [*affect labor demand and supply relationships and*] include:

11 (A) Labor force information, which includes but is not limited to employment, unemployment,  
 12 labor force participation[, *labor turnover and mobility, average hours and earnings and changes*] and  
 13 characteristics of the population and labor force [*within specific labor market areas and the state*];

14 (B) Occupational information, which includes but is not limited to occupational supply and de-  
 15 mand estimates and projections, characteristics of occupations, **skill requirements**, wage levels, job  
 16 duties, training and education requirements, conditions of employment, unionization, retirement  
 17 practices and training opportunities;

18 (C) Economic information, which includes but is not limited to number of business starts and  
 19 stops by industry and labor market area, information on employment growth and decline by industry  
 20 and labor market area, **employment projections by industry**, employer establishment data and  
 21 number of union disputes and strikes by industry and labor market area; and

22 (D) Program information, which includes but is not limited to program participant or student  
 23 information gathered in cooperation with other state and local agencies along with related labor  
 24 market information to evaluate the effectiveness, efficiency and impact of state and local employ-  
 25 ment, training, education and job creation efforts in support of planning, management, implementa-  
 26 tion and evaluation.

27 (2) The Director of the Employment Department shall have the following duties:

28 (a) [*Oversight, operation and management of*] **Overseeing, operating and managing** a statewide  
 29 comprehensive [*labor market and occupational supply and demand information system, including de-*  
 30 *velopment of a five-year employment forecast for state and labor market areas*] **workforce and labor**  
 31 **market information system.**

32 (b) [*Preparation of local labor market information packages for the state’s workforce system, in-*  
 33 *cluding special studies and job impact analyses*] **Supporting Oregon’s state and local workforce**  
 34 **boards by providing foundational workforce data and special studies** in support of state and  
 35 local employment, training, education and job creation programs, especially activities that prevent  
 36 job loss, reduce unemployment and create jobs.

37 [(c)] *Coordination with other appropriate public agencies to improve employment estimates by en-*  
 38 *hancing data on corporate officers, improving business establishment listings, expanding samples for*  
 39 *employment estimates and developing business entry or exit analysis relevant to the generation of oc-*  
 40 *cupational and economic forecasts.*]

41 (c) **Supporting other Oregon customers of workforce and labor market information, in-**  
 42 **cluding, but not limited to, businesses, job seekers, policy makers, educational agencies and**  
 43 **students, and providing foundational workforce data and analysis of trends at the state and**  
 44 **local levels.**

45 [(d)] *Production of long-term and occupational employment forecasts in cooperation with other ap-*

1 *propriate agencies.]*

2 [(e)] (d) [*Coordination with state workforce agencies as defined in ORS 660.300 to study ways to*  
3 *standardize federal and state multiagency administrative records, such as unemployment insurance in-*  
4 *formation and other information to produce employment, training, education and economic analysis*  
5 *needed to improve]* **Coordinating with state workforce agencies and other federal, state and**  
6 **local government partners to improve workforce and** labor market information products and  
7 services.

8 [(f)] (e) [*Production of]* **Producing workforce and** labor market information and economic  
9 analysis needed to facilitate the efficient and effective matching of the supply and demand of labor  
10 critical to an effective labor exchange in Oregon. [*Information collected will be coordinated with other*  
11 *public agencies through cooperative data collection efforts for statistical analysis, research or studies*  
12 *including, but not limited to, agricultural labor supply and demand, high performance organizations,*  
13 *targeted industries programs, and industrial improvement and expansion.]*

14 [(g)] (f) [*Administration of]* **Administering** other appropriate **workforce and** labor market in-  
15 formation activities including support of efforts by local workforce development boards, as defined  
16 in ORS 660.300, to align economic development, education and training with workforce development  
17 investments and services for job seekers and businesses to efficiently address local labor market  
18 needs and statewide workforce development priorities.

19 (3) To implement this section, the director shall have authority to:

20 (a) Establish rules and procedures to recover reasonable costs incurred in producing and pro-  
21 viding:

22 (A) **Workforce and** labor market information products developed by the Employment Depart-  
23 ment in the ordinary course of business when the request results in costs over and above the ordi-  
24 nary costs of production including, but not limited to, special publication runs, photocopying or  
25 supplying the copy in some other medium; and

26 (B) Special **workforce and** labor market information products in response to individual requests  
27 that incur costs beyond the ordinary costs of doing business including, but not limited to, computer  
28 time, staff costs, preparation and distribution of surveys, electronic scanning, and special data col-  
29 lection, formatting and analysis. The director may enter into agreements with other public agencies  
30 to provide special **workforce and** labor market information products in a quid pro quo arrangement.

31 (b) Receive federal set aside funds from federal programs that are authorized to fund state and  
32 local **workforce and** labor market information and are required to use such information in support  
33 of their programs.

34 (c) Enter into agreements for statistical analysis, research or evaluation studies of privately and  
35 publicly funded employment, training, education and economic development programs.

36 (4) **Home care workers described in ORS 410.619 (1) are not employees of state govern-**  
37 **ment for the purposes of workforce and labor market information.**

38 **SECTION 41.** ORS 657.734 is amended to read:

39 657.734. (1) As used in this section:

40 (a) "Public body" has the meaning given that term in ORS 192.410.

41 (b) "System participant" means:

42 (A) Mandatory partners under the federal Workforce [*Investment Act of 1998 (enacted as P.L.*  
43 *105-220 and codified as 29 U.S.C. 2801 et seq.)*] **Innovation and Opportunity Act** and other one-stop  
44 system partners, which may include public bodies and private organizations; and

45 (B) Public bodies and private organizations that have been approved by the Director of the

1 Employment Department, in consultation with the Education and Workforce Policy Advisor, to partic-  
2 cipate in the Performance Reporting Information System.

3 (2) There is established the Performance Reporting Information System for the purpose of col-  
4 lecting, analyzing and sharing statistical and demographic data for the development and reporting  
5 of workforce system performance measures.

6 (3) The Performance Reporting Information System is intended to share the data described in  
7 subsection (2) of this section, by agreement, with all system participants.

8 (4) The Director of the Employment Department shall administer and, in consultation with the  
9 Education and Workforce Policy Advisor, oversee the development of the Performance Reporting  
10 Information System. System participants shall be designated as participants in the system by rule  
11 of the Employment Department, in consultation with the Education and Workforce Policy Advisor.  
12 A system participant shall enter into an interagency or other applicable agreement with the director  
13 that:

14 (a) Establishes protocols for the collection and sharing of data in the system;

15 (b) Establishes safeguards for protecting the confidentiality of data in the system;

16 (c) Includes provisions regarding informed consent for sharing information obtained from indi-  
17 viduals; and

18 (d) Provides for the sharing of costs for developing and maintaining the system.

19 (5)(a) All individual record information in the Performance Reporting Information System is  
20 confidential and may not be disclosed as a public record under the provisions of ORS 192.410 to  
21 192.505. As administrator of the system, the director may view all data or individual record infor-  
22 mation in the system. System participants may not allow public access to information received from  
23 the system that identifies a particular individual unless required by law. System participants shall  
24 limit the disclosure of, or refuse to disclose, aggregate or summary level information when a small  
25 number of aggregated records or some other factor creates a reasonable risk that the identity of  
26 individuals may be discovered or disclosed.

27 (b) System participants shall provide information in a format that encodes identifying data, in-  
28 cluding the client's Social Security number, using a formula unique to the system participant. In  
29 disclosing Social Security numbers to the system, system participants shall comply with any state  
30 and federal laws that govern the collection and use of Social Security numbers by the system par-  
31 ticipant and any additional requirements specified by the director, in consultation with the Educa-  
32 tion and Workforce Policy Advisor, that are included in the agreement entered into under subsection  
33 (4) of this section.

34 (6) The information in the Performance Reporting Information System is not a public record for  
35 purposes of ORS 192.410 to 192.505. For purposes of ORS 192.410 to 192.505, the information sub-  
36 mitted to the system and the information received from the system is a public record, and the  
37 custodian of such information is the system participant that submits or receives the information. If  
38 the system participant receiving the information is not a public body, the department shall keep a  
39 copy of the system information sent to that system participant and shall be the custodian of that  
40 copy for purposes of ORS 192.410 to 192.505. As custodian, the department shall limit the disclosure  
41 of, or refuse to disclose, aggregate or summary level information when a small number of aggregated  
42 records or some other factor creates a reasonable risk that the identity of individuals may be dis-  
43 covered or disclosed. The department shall refer all other requests for disclosure of system infor-  
44 mation to the public body that is the custodian of the information.

45 (7) The department may charge a reasonable fee under ORS 192.440 for the disclosure of reports

1 containing only aggregate data to individuals, public bodies or private organizations.

2 (8) If a system participant prepares or acquires a record that is confidential under federal or  
3 state law, including ORS 192.502 (2), the system participant does not violate state confidentiality  
4 laws by providing the information described in this section to the Performance Reporting Informa-  
5 tion System. Notwithstanding the provisions of ORS 279C.815 (4), 279C.850 (3), 657.665 and 660.339,  
6 the Bureau of Labor and Industries, the [*Office of Community Colleges and Workforce Development*]  
7 **Higher Education Coordinating Commission** and the Employment Department are authorized to  
8 provide information to the system.

9 (9) Any individual who, without proper authority, discloses confidential information under this  
10 section may be disqualified from holding any appointment or employment with the State of Oregon.  
11 The department shall adopt by rule procedures to prevent disclosure of confidential information  
12 submitted to the Performance Reporting Information System.

13 **SECTION 41a. If Senate Bill 41 becomes law and House Bill 2312 does not become law,**  
14 **section 5, chapter \_\_, Oregon Laws 2017 (Enrolled Senate Bill 41) (amending ORS 657.734),**  
15 **is repealed and ORS 657.734, as amended by section 41 of this 2017 Act, is amended to read:**

16 657.734. (1) As used in this section:

17 (a) "Public body" has the meaning given that term in ORS 192.410.

18 (b) "System participant" means:

19 (A) Mandatory partners under the federal Workforce Innovation and Opportunity Act and other  
20 one-stop system partners, which may include public bodies and private organizations; and

21 (B) Public bodies and private organizations that have been approved by the Director of the  
22 Employment Department, in consultation with the Education and Workforce Policy Advisor, to par-  
23 ticipate in the Performance Reporting Information System.

24 (2) There is established the Performance Reporting Information System for the purpose of col-  
25 lecting, analyzing and sharing statistical and demographic data for the development and reporting  
26 of workforce system performance measures.

27 (3) The Performance Reporting Information System is intended to share the data described in  
28 subsection (2) of this section, by agreement, with all system participants.

29 (4) The Director of the Employment Department shall administer and, in consultation with the  
30 Education and Workforce Policy Advisor, oversee the development of the Performance Reporting  
31 Information System. System participants shall be designated as participants in the system by rule  
32 of the Employment Department, in consultation with the Education and Workforce Policy Advisor.  
33 A system participant shall enter into an interagency or other applicable agreement with the director  
34 that:

35 (a) Establishes protocols for the collection and sharing of data in the system;

36 (b) Establishes safeguards for protecting the confidentiality of data in the system;

37 (c) Includes provisions regarding informed consent for sharing information obtained from indi-  
38 viduals; and

39 (d) Provides for the sharing of costs for developing and maintaining the system.

40 (5)(a) All individual record information in the Performance Reporting Information System is  
41 confidential and may not be disclosed as a public record under the provisions of ORS 192.410 to  
42 192.505. As administrator of the system, the director may view all data or individual record infor-  
43 mation in the system. System participants may not allow public access to information received from  
44 the system that identifies a particular individual unless required by law. System participants shall  
45 limit the disclosure of, or refuse to disclose, aggregate or summary level information when a small



1 number of aggregated records or some other factor creates a reasonable risk that the identity of  
2 individuals may be discovered or disclosed.

3 (b) System participants shall provide information in a format that encodes identifying data, in-  
4 cluding the client's Social Security number, using a formula unique to the system participant. In  
5 disclosing Social Security numbers to the system, system participants shall comply with any state  
6 and federal laws that govern the collection and use of Social Security numbers by the system par-  
7 ticipant and any additional requirements specified by the director, in consultation with the Educa-  
8 tion and Workforce Policy Advisor, that are included in the agreement entered into under subsection  
9 (4) of this section.

10 (6) The information in the Performance Reporting Information System is not a public record for  
11 purposes of ORS 192.410 to 192.505. For purposes of ORS 192.410 to 192.505, the information sub-  
12 mitted to the system and the information received from the system is a public record, and the  
13 custodian of such information is the system participant that submits or receives the information. If  
14 the system participant receiving the information is not a public body, the department shall keep a  
15 copy of the system information sent to that system participant and shall be the custodian of that  
16 copy for purposes of ORS 192.410 to 192.505. As custodian, the department shall limit the disclosure  
17 of, or refuse to disclose, aggregate or summary level information when a small number of aggregated  
18 records or some other factor creates a reasonable risk that the identity of individuals may be dis-  
19 covered or disclosed. The department shall refer all other requests for disclosure of system infor-  
20 mation to the public body that is the custodian of the information.

21 (7) The department may charge a reasonable fee under ORS 192.440 for the disclosure of reports  
22 containing only aggregate data to individuals, public bodies or private organizations.

23 (8) If a system participant prepares or acquires a record that is confidential under federal or  
24 state law, including ORS 192.502 (2), the system participant does not violate state confidentiality  
25 laws by providing the information described in this section to the Performance Reporting Informa-  
26 tion System. [*Notwithstanding the provisions of ORS 279C.815 (4), 279C.850 (3), 657.665 and 660.339,*  
27 *the Bureau of Labor and Industries, the Higher Education Coordinating Commission and the Employ-*  
28 *ment Department are authorized to provide information to the system.*]

29 (9) Any individual who, without proper authority, discloses confidential information under this  
30 section may be disqualified from holding any appointment or employment with the State of Oregon.  
31 The department shall adopt by rule procedures to prevent disclosure of confidential information  
32 submitted to the Performance Reporting Information System.

33 **SECTION 42.** ORS 284.706 is amended to read:

34 284.706. (1) There is created the Oregon Innovation Council consisting of the following voting  
35 members:

36 (a) The Governor or the Governor's designated representative, who shall be chairperson of the  
37 council.

38 (b) Seven members appointed by the Governor who are experienced entrepreneurs or investors  
39 or are engaged in the operations of Oregon traded sector industries or Oregon growth businesses.

40 (c) One member appointed by the Governor who is a representative of an Oregon-based, gener-  
41 ally accredited, not-for-profit private institution of higher education.

42 (d) One member appointed by the Governor who is a representative of an Oregon-based, gener-  
43 ally accredited public institution of higher education as defined in ORS 284.633.

44 (e) A member of the Oregon Growth Board, appointed by the board, who is experienced in  
45 making direct investments in new growth-based companies.

1 (f) A private sector member of the [*Oregon Talent Council*] **State Workforce and Talent De-**  
2 **velopment Board.**

3 (g) The Director or an executive officer of the Oregon Business Development Department.

4 (h) The executive director of the Higher Education Coordinating Commission.

5 (i) The State Treasurer.

6 (2)(a) The Speaker of the House of Representatives shall appoint two members to the council  
7 who are members of the House of Representatives.

8 (b) The President of the Senate shall appoint two members to the council who are members of  
9 the Senate.

10 (c) Members of the Legislative Assembly appointed to the council are nonvoting members and  
11 may act in an advisory capacity only.

12 (3) The presiding officer of the Oregon Business Development Commission shall serve as an ex  
13 officio, nonvoting member of the council.

14 (4) The term of office of each appointed voting member of the council is two years, but an ap-  
15 pointed member serves at the pleasure of the appointing authority. Before the expiration of the term  
16 of an appointed voting member, the appointing authority shall appoint a successor whose term be-  
17 gins on July 1 next following. An appointed member is eligible for reappointment for one additional  
18 term. If there is a vacancy for any cause, the appointing authority shall make an appointment to  
19 become immediately effective for the remainder of the unexpired term.

20 (5) A majority of the voting members of the council constitutes a quorum for the transaction  
21 of business.

22 (6) Official action by the council requires the approval of a majority of the voting members of  
23 the council.

24 (7) The council shall meet at least four times per fiscal year at a place, day and time determined  
25 by the chairperson. The council may also meet at other times and places specified by a call of the  
26 chairperson or by written request of a majority of the voting members of the council.

27 (8) The council may adopt rules necessary for the operation of the council.

28 (9) The council shall establish an audit and accountability committee that shall monitor per-  
29 formance of council contracts and benchmark Oregon's performance against nationally accepted in-  
30 novation metrics.

31 (10) The council may establish other committees and delegate to the committees duties as the  
32 council considers desirable.

33 (11) The Oregon Business Development Department shall provide staff support to the council.

34 (12) Members of the council who are members of the Legislative Assembly are entitled to com-  
35 pensation and expense reimbursement as provided in ORS 171.072.

36 (13) Members of the council who are not members of the Legislative Assembly are entitled to  
37 compensation and expenses incurred by them in the performance of their official duties in the man-  
38 ner and amounts provided for in ORS 292.495. Claims for compensation and expenses of members  
39 of the council who are public officers shall be paid out of funds appropriated to the public agency  
40 that employs the member. Claims for compensation and expenses of members of the council who are  
41 not public officers shall be paid out of funds appropriated to the Oregon Business Development De-  
42 partment for that purpose.

43 (14) All agencies of state government, as defined in ORS 174.111, are directed to assist the  
44 council in the performance of its duties and, to the extent permitted by laws relating to  
45 confidentiality, to furnish such information and advice as the members of the council consider nec-

1 essary to perform their duties.

2 **SECTION 43.** ORS 284.290, 284.292, 284.294 and 284.297 are repealed.

3 **SECTION 44.** (1) The amendments to ORS 660.321 by section 5 of this 2017 Act are in-  
4 tended to change the name of the “State Workforce Investment Board” to the “State  
5 Workforce and Talent Development Board.”

6 (2) For the purpose of harmonizing and clarifying statutory law, the Legislative Counsel  
7 may substitute for words designating the “State Workforce Investment Board,” wherever  
8 they occur in statutory law, other words designating the “State Workforce and Talent De-  
9 velopment Board.”

10 **SECTION 45.** If House Bill 2312 becomes law, section 44, chapter \_\_, Oregon Laws 2017  
11 (Enrolled House Bill 2312), is repealed.

12 **SECTION 46.** If House Bill 2312 becomes law, section 44 of this 2017 Act is amended to read:

13 (1) The amendments to ORS 660.321 by section 5 of this 2017 Act are intended to change the  
14 name of the “State Workforce Investment Board” to the “State Workforce and Talent Development  
15 Board.”

16 (2) The amendments to ORS 660.321 by section 27, chapter \_\_, Oregon Laws 2017 (En-  
17 rolled House Bill 2312), are intended to change the name of the “State Workforce Investment  
18 Board” to the “State Workforce Development Board.”

19 [(2)] (3) For the purpose of harmonizing and clarifying statutory law, the Legislative Counsel  
20 may substitute for words designating the “State Workforce Investment Board,” or “State  
21 Workforce Development Board,” wherever they occur in statutory law, other words designating  
22 the “State Workforce and Talent Development Board.

23 **SECTION 47.** This 2017 Act takes effect on the 91st day after the date on which the 2017  
24 regular session of the Seventy-ninth Legislative Assembly adjourns sine die.