# Senate Bill 297

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#### **SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Establishes CTE-STEM Investment Council. Prescribes membership and duties of council. Abolishes STEM Investment Council.

Revises method for awarding grants under Career and Technical Education Revitalization Grant Program. Revises method for awarding other grants related to science, technology, engineering and mathematics education and to career and technical education that can lead to high wage and high demand jobs.

Declares emergency, effective July 1, 2017.

A BILL FOR AN ACT

- Relating to CTE-STEM Investment Council; creating new provisions; amending ORS 284.290, 284.292, 284.294, 327.372, 327.376, 327.380 and 344.075 and section 3, chapter 739, Oregon Laws 2013, and
- section 72, chapter 774, Oregon Laws 2015; repealing ORS 326.500; and declaring an emergency.
  - Be It Enacted by the People of the State of Oregon:
  - SECTION 1. (1) The CTE-STEM Investment Council is established in the Chief Education Office.
  - (2) The council consists of 11 voting members appointed as provided by subsection (3) of this section and 14 nonvoting members appointed or selected as provided by subsection (4) of this section.
  - (3) The 11 voting members of the council shall be appointed by the Governor and shall include high-level representatives from a broad representation of labor and businesses involved in high wage, high demand industries across this state.
    - (4) The 14 nonvoting members of the council shall be appointed or selected as follows:
  - (a) The President of the Senate shall appoint two nonvoting members who are from among members of the Senate and who serve on a committee of the legislature that would provide relevant subject matter expertise on career and technical education or on science, technology, engineering or mathematics education.
  - (b) The Speaker of the House of Representatives shall appoint two nonvoting members who are from among members of the House of Representatives and who serve on a committee of the legislature that would provide relevant subject matter expertise on career and technical education or on science, technology, engineering or mathematics education.
    - (c) The Governor shall appoint four nonvoting members as follows:
  - (A) One member who is a public school teacher of career and technical education in any grade from prekindergarten to grade 12.
  - (B) One member who is a teacher of career and technical education at a public postsecondary institution of education in this state.

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- (C) One member who is a public school teacher of science, technology, engineering or mathematics in any grade from prekindergarten to grade 12.
- (D) One member who is a teacher of science, technology, engineering or mathematics at a public post-secondary institution of education in this state.
  - (d) The following six persons shall serve as nonvoting ex officio members:
- (A) The chairperson of the State Workforce Investment Board, or a designee of the chairperson;
- (B) The Deputy Superintendent of Public Instruction, or a designee of the deputy superintendent;
- (C) The Director of the Apprenticeship and Training Division of the Bureau of Labor and Industries, or a designee of the director;
- (D) The chairperson of the Higher Education Coordinating Commission, or a designee of the chairperson;
- (E) The chairperson of the State Board of Education, or a designee of the chairperson; and
  - (F) The Chief Education Officer, or a designee of the officer.
- (5) For the members appointed by the Governor under subsections (3) and (4)(c) of this section:
  - (a) The term of office of each member shall be four years, but a member serves at the pleasure of the Governor.
- (b) A member is eligible for reappointment, but no member may serve more than two full terms.
  - (c) If there is a vacancy for any cause, the Governor may make an appointment to become immediately effective for the unexpired term.
  - SECTION 2. (1) The CTE-STEM Investment Council established under section 1 of this 2017 Act is established for the purpose of assisting the Chief Education Officer, the Deputy Superintendent of Public Instruction and the executive director of the Higher Education Coordinating Commission in:
  - (a) Setting goals related to career and technical education and to education in science, technology, engineering and mathematics; and
    - (b) Developing and overseeing a long-term strategic plan for this state that:
    - (A) Advances the goals set under paragraph (a) of this subsection;
  - (B) Improves the proficiency in mathematics and science of students in prekindergarten through grade 12;
  - (C) Increases the number of students who earn a degree or certificate related to career and technical education or to science, technology, engineering and mathematics; and
  - (D) Encourages, coordinates and supports the expansion of career and technical education and of education in science, technology, engineering and mathematics for the purpose of preparing students for post-secondary education and participation in the workforce.
- (2) The council shall make recommendations to the officer, deputy superintendent and executive director related to:
- (a) The administration of the STEM Investment Grant Program established by ORS 327.380;
  - (b) The distribution of moneys under ORS 327.372;
  - (c) Strategic investments in career and technical education and in science, technology,

- engineering and mathematics education under ORS 327.820;
  - (d) Methods to meet the post-secondary education goals established in ORS 350.014;
  - (e) Methods to ensure that career and technical education uses applied learning;
  - (f) Methods to ensure that career and technical education provides multiple career pathways and that students or potential students are aware of those pathways; and
  - (g) Methods to allow for better coordination of career and technical education between school districts, community colleges, registered apprenticeship programs, community colleges and public universities.
  - (3) For the purpose of developing and overseeing the strategic plan described in subsection (1)(b) of this section, the council shall:
    - (a) Collect student performance metrics;
    - (b) Monitor improvements in student performance;
- 13 (c) Identify best practices;

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- (d) Provide guidance in methods for replicating successful programs; and
- (e) Provide regular reports to the Chief Education Officer, the Governor and the Legislative Assembly on the progress of the strategic plan in advancing the goals set under subsection (1)(a) of this section.
- SECTION 3. (1) The CTE-STEM Investment Council established by section 1 of this 2017 Act shall operate as provided by this section.
- (2) The council shall elect one of its voting members to serve as chairperson and one of its voting members to serve as vice chairperson.
- (3) A majority of the voting members of the council constitutes a quorum for the transaction of business.
- (4) Official action by the council requires the approval of a majority of the voting members of the council.
  - (5) The council shall meet at least quarterly:
  - (a) At times and places specified by the chairperson; and
- 28 (b) At times and places specified by:
  - (A) The chairperson at the call of the chairperson; or
  - (B) A majority of the members at the written request of the members.
  - (6) The council may adopt rules necessary for the operation of the council.
    - (7) Except as provided in ORS 171.072 for members of the Legislative Assembly, members of the council are not entitled to compensation or reimbursement for expenses and serve as volunteers on the council.

**SECTION 4.** ORS 344.075 is amended to read:

- 344.075. (1) The Career and Technical Education Revitalization Grant Program is established [within the Department of Education] to enhance career and technical education in this state.
- (2) After consideration of the recommendations of the grant committee established as provided by subsection (6) of this section, the CTE-STEM Investment Council shall make recommendations on the applications to the Chief Education Officer. Under the direction of the Chief Education Officer, the Department of Education shall distribute moneys for the grant program and otherwise administer the grant program.
- [(2)] (3) Subject to the availability of funds, the department shall [award] distribute grants each biennium to school districts, education service districts, public schools or public charter schools, or any combination thereof or in partnership with youth job development organizations as defined in

ORS 344.415, for the uses described in subsection [(3)] (4) of this section.

- [(3)] (4) Grants received under this section must be used to enhance the collaboration between education providers and employers by:
  - (a) Developing or enhancing career and technical education programs of study;
- (b) Expanding the professional growth of and career opportunities for students through career and technical education programs;
- (c) Assessing the ability of each career and technical education program to meet workforce needs and give students the skills required for jobs in this state that provide high wages and are in high demand; and
- (d) Supporting the achievement of the high school diploma requirements established under ORS 329.451.
- [(4)] (5) Any school district, education service district, public school or public charter school, or any combination thereof or in partnership with a youth job development organization as defined in ORS 344.415, may apply for a grant under this section.
- [(5)(a) The department and the Bureau of Labor and Industries shall jointly establish a committee to:]
- [(A) Assist with the grant program established under this section, including setting goals for the program, developing grant criteria, reviewing all grant applications and making recommendations related to the awarding of grants.]
- [(B) Make recommendations to the Superintendent of Public Instruction related to the distribution of moneys under ORS 327.372.]
- (6)(a) The Chief Education Office and the Bureau of Labor and Industries shall jointly appoint a grant committee that reports to the CTE-STEM Investment Council and that develops grant criteria, reviews grant applications and makes recommendations related to the awarding of grants.
- (b) The **grant** committee established by this subsection must equally represent business, industry, labor and education providers.
- (c) [The department in awarding grants, and the committee in fulfilling its duties related to grants, shall award] Grants **must be awarded** based on the ability of the applicant to use the grant as required under subsection [(3)] (4) of this section.
- (d) [In addition, the department and the committee shall give priority] In awarding grants, priority shall be given to applicants that:
- (A) Represent a diverse number of students served and a diverse selection of geographic locations;
- (B) Have received commitments from business, industry, labor or education providers to enhance collaboration and to provide resources for any collaborative efforts; and
- (C) Demonstrate that the collaboration between education providers and employers enhanced by the grant will be sustainable beyond the life of the grant.
- [(6) The State Board of Education may adopt any rules necessary for the implementation of this section.]
- (7) The department may pay the expenses incurred by the department in administering this section out of moneys that are available to the department for purposes of awarding grants under this section. For each biennium, the department may spend on administrative expenses an amount that does not exceed five percent of the total amount of moneys available to the department during the biennium for purposes of awarding grants under this section.

**SECTION 5.** Section 1 of this 2017 Act is amended to read:

- Sec. 1. (1) The CTE-STEM Investment Council is established in the Chief Education Office.
- (2) The council consists of 11 voting members appointed as provided by subsection (3) of this section and [14] 13 nonvoting members appointed or selected as provided by subsection (4) of this section.
- (3) The 11 voting members of the council shall be appointed by the Governor and shall include high-level representatives from a broad representation of labor and businesses involved in high wage, high demand industries across this state.
  - (4) The [14] 13 nonvoting members of the council shall be appointed or selected as follows:
- (a) The President of the Senate shall appoint two nonvoting members who are from among members of the Senate and who serve on a committee of the legislature that would provide relevant subject matter expertise on career and technical education or on science, technology, engineering or mathematics education.
- (b) The Speaker of the House of Representatives shall appoint two nonvoting members who are from among members of the House of Representatives and who serve on a committee of the legislature that would provide relevant subject matter expertise on career and technical education or on science, technology, engineering or mathematics education.
  - (c) The Governor shall appoint four nonvoting members as follows:
- (A) One member who is a public school teacher of career and technical education in any grade from prekindergarten to grade 12.
- (B) One member who is a teacher of career and technical education at a public post-secondary institution of education in this state.
- (C) One member who is a public school teacher of science, technology, engineering or mathematics in any grade from prekindergarten to grade 12.
- (D) One member who is a teacher of science, technology, engineering or mathematics at a public post-secondary institution of education in this state.
  - (d) The following [six] **five** persons shall serve as nonvoting ex officio members:
  - (A) The chairperson of the State Workforce Investment Board, or a designee of the chairperson;
  - (B) The Deputy Superintendent of Public Instruction, or a designee of the deputy superintendent;
- (C) The Director of the Apprenticeship and Training Division of the Bureau of Labor and Industries, or a designee of the director;
- (D) The chairperson of the Higher Education Coordinating Commission, or a designee of the chairperson; and
  - (E) The chairperson of the State Board of Education, or a designee of the chairperson. [; and]
  - [(F) The Chief Education Officer, or a designee of the officer.]
  - (5) For the members appointed by the Governor under subsections (3) and (4)(c) of this section:
- (a) The term of office of each member shall be four years, but a member serves at the pleasure of the Governor.
  - (b) A member is eligible for reappointment, but no member may serve more than two full terms.
- (c) If there is a vacancy for any cause, the Governor may make an appointment to become immediately effective for the unexpired term.
  - **SECTION 6.** Section 2 of this 2017 Act is amended to read:
- **Sec. 2.** (1) The CTE-STEM Investment Council established under section 1 of this 2017 Act is established for the purpose of assisting [the Chief Education Officer,] the Deputy Superintendent of Public Instruction and the executive director of the Higher Education Coordinating Commission in:

- (a) Setting goals related to career and technical education and to education in science, technology, engineering and mathematics; and
  - (b) Developing and overseeing a long-term strategic plan for this state that:
- (A) Advances the goals set under paragraph (a) of this subsection;
- (B) Improves the proficiency in mathematics and science of students in prekindergarten through grade 12:
  - (C) Increases the number of students who earn a degree or certificate related to career and technical education or to science, technology, engineering and mathematics; and
  - (D) Encourages, coordinates and supports the expansion of career and technical education and of education in science, technology, engineering and mathematics for the purpose of preparing students for post-secondary education and participation in the workforce.
  - (2) The council shall make recommendations to the [officer,] deputy superintendent and executive director related to:
    - (a) The administration of the STEM Investment Grant Program established by ORS 327.380;
    - (b) The distribution of moneys under ORS 327.372;
  - (c) Strategic investments in career and technical education and in science, technology, engineering and mathematics education under ORS 327.820;
    - (d) Methods to meet the post-secondary education goals established in ORS 350.014;
    - (e) Methods to ensure that career and technical education uses applied learning;
- (f) Methods to ensure that career and technical education provides multiple career pathways and that students or potential students are aware of those pathways; and
- (g) Methods to allow for better coordination of career and technical education between school districts, community colleges, registered apprenticeship programs, community colleges and public universities.
- (3) For the purpose of developing and overseeing the strategic plan described in subsection (1)(b) of this section, the council shall:
  - (a) Collect student performance metrics;
  - (b) Monitor improvements in student performance;
  - (c) Identify best practices;

- (d) Provide guidance in methods for replicating successful programs; and
- (e) Provide regular reports to [the Chief Education Officer,] the Governor and the Legislative Assembly on the progress of the strategic plan in advancing the goals set under subsection (1)(a) of this section.
  - SECTION 7. ORS 344.075, as amended by section 4 of this 2017 Act, is amended to read:
- 344.075. (1) The Career and Technical Education Revitalization Grant Program is established to enhance career and technical education in this state.
- (2) After consideration of the recommendations of the grant committee established as provided by subsection (6) of this section, the CTE-STEM Investment Council shall make recommendations on the applications to the [Chief Education Officer] Superintendent of Public Instruction. Under the direction of the [Chief Education Officer] Superintendent of Public Instruction, the Department of Education shall distribute moneys for the grant program and otherwise administer the grant program.
- (3) Subject to the availability of funds, the department shall distribute grants each biennium to school districts, education service districts, public schools or public charter schools, or any combination thereof or in partnership with youth job development organizations as defined in ORS 344.415,

1 for the uses described in subsection (4) of this section.

- (4) Grants received under this section must be used to enhance the collaboration between education providers and employers by:
  - (a) Developing or enhancing career and technical education programs of study;
- (b) Expanding the professional growth of and career opportunities for students through career and technical education programs;
- (c) Assessing the ability of each career and technical education program to meet workforce needs and give students the skills required for jobs in this state that provide high wages and are in high demand; and
- (d) Supporting the achievement of the high school diploma requirements established under ORS 329.451.
  - (5) Any school district, education service district, public school or public charter school, or any combination thereof or in partnership with a youth job development organization as defined in ORS 344.415, may apply for a grant under this section.
  - (6)(a) The Chief Education Office and the Bureau of Labor and Industries shall jointly appoint a grant committee that reports to the CTE-STEM Investment Council and that develops grant criteria, reviews grant applications and makes recommendations related to the awarding of grants.
  - (b) The grant committee established by this subsection must equally represent business, industry, labor and education providers.
  - (c) Grants must be awarded based on the ability of the applicant to use the grant as required under subsection (4) of this section.
    - (d) In awarding grants, priority shall be given to applicants that:
  - (A) Represent a diverse number of students served and a diverse selection of geographic locations;
  - (B) Have received commitments from business, industry, labor or education providers to enhance collaboration and to provide resources for any collaborative efforts; and
  - (C) Demonstrate that the collaboration between education providers and employers enhanced by the grant will be sustainable beyond the life of the grant.
  - (7) The department may pay the expenses incurred by the department in administering this section out of moneys that are available to the department for purposes of awarding grants under this section. For each biennium, the department may spend on administrative expenses an amount that does not exceed five percent of the total amount of moneys available to the department during the biennium for purposes of awarding grants under this section.
  - **SECTION 8.** Section 72, chapter 774, Oregon Laws 2015, as amended by section 14, chapter 682, Oregon Laws 2015, and section 20, chapter 763, Oregon Laws 2015, is amended to read:
  - Sec. 72. (1)(a) Section 1, chapter 519, Oregon Laws 2011, as amended by section 8, chapter 519, Oregon Laws 2011, sections 20 and 21, chapter 36, Oregon Laws 2012, and section 1, chapter 774, Oregon Laws 2015, is repealed on June 30, 2019.
- (b) Section 2, chapter 519, Oregon Laws 2011, as amended by section 1, chapter 36, Oregon Laws 2012, section 29, chapter 747, Oregon Laws 2013, and section 4, chapter 774, Oregon Laws 2015, is repealed on June 30, 2019.
- (c) Section 3, chapter 519, Oregon Laws 2011, as amended by section 5, chapter 774, Oregon Laws 2015, is repealed on June 30, 2019.
- (2) The amendments to ORS 326.021 by section 42, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.

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- 1 (3) The amendments to ORS 326.300 by section 43, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
- 3 (4) The amendments to ORS 326.425 by section 44, chapter 774, Oregon Laws 2015, become op-4 erative on June 30, 2019.
  - (5) The amendments to ORS 326.430 by section 45, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
  - [(6) The amendments to ORS 326.500 by section 46, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.]
- 9 [(7)] (6) The amendments to ORS 327.380 by section 8, chapter 739, Oregon Laws 2013, become operative on June 30, 2019.
- [(8)] (7) The amendments to ORS 327.800 by section 67a, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
  - [(9)] (8) The amendments to ORS 327.810 by section 68a, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
- 15 [(10)] (9) The amendments to ORS 327.815 by section 69a, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
  - [(11)] (10) The amendments to ORS 327.820 by section 70a, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
- 19 [(12)] (11) The amendments to ORS 342.208 by section 53, chapter 774, Oregon Laws 2015, be-20 come operative on June 30, 2019.
- 21 [(13)] (12) The amendments to ORS 342.350 by section 54, chapter 774, Oregon Laws 2015, be-22 come operative on June 30, 2019.
  - [(14)] (13) The amendments to ORS 342.410 by section 55, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
- [(15)] (14) The amendments to ORS 342.443 by section 56, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
  - (15) The amendments to ORS 342.448 by section 76a, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
  - (16) The amendments to ORS 342.950 by section 57, chapter 774, Oregon Laws 2015, and section 8c, chapter 790, Oregon Laws 2015, become operative on June 30, 2019.
  - (17) The amendments to ORS 344.059 and 344.141 by sections 13 and 14, chapter 763, Oregon Laws 2015, become operative on June 30, 2019.
- 33 [(17) The amendments to ORS 351.077 by section 75a, chapter 774, Oregon Laws 2015, become op-34 erative on June 30, 2019.]
  - [(18) The amendments to ORS 351.203 by section 58, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.]
    - (18) The amendments to ORS 344.075 by section 7 of this 2017 Act become operative on June 30, 2019.
- 39 (19) The amendments to ORS [*351.725*] **350.065** by section 60, chapter 774, Oregon Laws 2015, 40 become operative on June 30, 2019.
  - (20) The amendments to ORS [351.735] **350.075** by section 61, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
- 43 (21) The amendments to ORS 350.100 by section 75a, chapter 774, Oregon Laws 2015, be44 come operative on June 30, 2019.
  - (22) The amendments to ORS 352.018 by section 58, chapter 774, Oregon Laws 2015, be-

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- [(21)] (23) The amendments to ORS 417.796 by section 62, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
- 4 [(22)] (24) The amendments to ORS 417.847 by section 63, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
  - [(23)] (25) The amendments to ORS 417.852 by section 64, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
- 8 [(24)] (26) The amendments to ORS 660.324 by section 65, chapter 774, Oregon Laws 2015, become operative on June 30, 2019.
- [(25) The amendments to section 11, chapter 188, Oregon Laws 2015, by section 76a, chapter 774,
  Oregon Laws 2015, become operative on June 30, 2019.]
  - (27) The amendments to sections 1 and 2 of this 2017 Act by sections 5 and 6 of this 2017 Act become operative on June 30, 2019.
  - [(26)] (28) Section 8, chapter 85, Oregon Laws 2014, becomes operative on June 30, 2019.
- 15 [(27) The amendments to sections 11 and 12 of this 2015 Act by sections 13 and 14 of this 2015 16 Act become operative on June 30, 2019.]
  - SECTION 9. ORS 284.290 is amended to read:
  - 284.290. (1) The Oregon Talent Council is established. The Director of the Employment Department, in consultation with the Governor or the Governor's designated representative, may appoint the council members, the majority of whom must be senior executives of traded sector and high growth industries in Oregon.
  - (2) The council shall have no fewer than seven and no more than 21 members.
  - (3) One representative of each of the following entities may serve as an ex officio member of the council:
    - (a) Higher Education Coordinating Commission;
    - (b) State Workforce Investment Board;
  - (c) Oregon Business Development Department;
- 28 (d) Employment Department; and
- 29 [(e) STEM Investment Council.]
- 30 (e) CTE-STEM Investment Council.
  - (4) The council shall select one of its private sector members as a chairperson.
- 32 (5) A majority of the members of the council constitutes a quorum for the transaction of busi-33 ness.
  - (6) The council shall meet at least four times per fiscal year at a place, day and time determined by the chairperson. The council may also meet at other times and places specified by a call of the chairperson or by written request of a majority of the members of the council.
    - (7) The council may adopt rules necessary for the operation of the council.
- 38 (8) The council may establish committees and delegate to the committees duties the council 39 considers desirable.
- 40 (9) The Employment Department, in consultation with the council, may use up to 10 percent of 41 the amount appropriated by the Legislative Assembly for allocation to the council to employ staff 42 and support the operations of the council.
- 43 **SECTION 10.** ORS 284.292 is amended to read:
  - 284.292. (1) The Oregon Talent Council shall advise and be a resource for state agencies and educational institutions on issues of talent development to promote the growth and competitiveness

of Oregon's traded sector and high growth industries.

- (2) The council shall work in cooperation with the Employment Department to provide industry-based information and data on talent needs and gaps.
- (3) The council shall develop criteria and measurements that will be used for determining investments made from the fund established under ORS 284.297. All investments in public and private institutions shall be:
  - (a) Contingent upon performance-based contracts with measurable outcomes; and
- (b) Of limited duration.

- (4) Each biennium, the council shall develop a talent plan under ORS 284.294 that the council will use to invest moneys from the fund established under ORS 284.297. The talent plan and investments shall:
- (a) Identify and prioritize the urgent talent gaps of Oregon's traded sector and high growth industries.
- (b) Respond to immediate talent needs by creating additional opportunities for Oregonians to pursue education and training in disciplines critical to the advancement of Oregon's traded sector and high growth industries.
- (c) Strengthen efforts to enhance student work experience and job preparedness in high demand and critical occupations.
- (d) Create new means of delivering workforce training and proficiency-based education that can enhance program efficiency, upgrade and share resources and facilities and improve student outcomes and access to typically underrepresented populations while meeting talent needs of traded sector and high growth industries.
- (e) Increase the skills of the existing professional and technical workforce, including through the issuance of certifications, badges and industry-based credentials.
- (5) The council shall prioritize investments for which other public resources and private financial resources from Oregon companies or individuals are made available to augment council funds.
- (6) The council shall submit an annual report to the Employment Department on investments made by the council and the performance of those investments.
- (7) The Oregon Talent Council, the Oregon Business Development Commission, the Higher Education Coordinating Commission, the [STEM Investment Council] CTE-STEM Investment Council, state and local workforce boards and the Employment Department shall develop agreements to strategically align the policies and programs of the entities as they relate to the duties of the Oregon Talent Council.

# SECTION 11. ORS 284.294 is amended to read:

- 284.294. (1) The Oregon Talent Council shall develop a Talent Development Plan. The plan must include identification of talent issues and trends related to selected Oregon traded sector and high growth industries that are in strategic alignment with state and local workforce and economic priorities. The plan must include recommendations to the State Workforce Investment Board, the [STEM Investment Council] CTE-STEM Investment Council and the Higher Education Coordinating Commission on training and education enhancements based upon the identified talent issues and trends.
- (2) The Oregon Talent Council shall update the plan and the council's recommendations every
- 43 (3) Each year, the council shall report to the Governor and the Legislative Assembly about the 45 plan.

# SECTION 12. ORS 327.372 is amended to read:

- 327.372. (1) Activities related to science, technology, engineering and mathematics education and activities related to career and technical education that can lead to high wage and high demand jobs shall be funded as provided by this section.
- (2) The Department of Education shall distribute moneys [appropriated to the department, or otherwise made available to the department, for the purpose of funding activities related to science, technology, engineering and mathematics education and activities related to career and technical education. Distributions shall be made] from the CTE-STEM Investment Council Fund established under ORS 327.376 based on the recommendations of the CTE-STEM Investment Council as follows:
- (a) [Thirty-five] Forty percent for activities related to science, technology, engineering and mathematics education that are described in subsection (3) of this section.
- (b) [Sixty-five] **Sixty** percent for activities related to career and technical education that can lead to high wage and high demand jobs and that are described in subsection (4) of this section.
- (3) Moneys distributed as provided by subsection (2)(a) of this section to fund activities related to science, technology, engineering and mathematics education shall be used to:
- (a) Expand and sustain regional networks that support science, technology, engineering and mathematics.
- (b) Award grants that expand the implementation of effective programs related to science, technology, engineering and mathematics, that propose innovative approaches or programs related to science, technology, engineering and mathematics or that provide professional development related to teaching science, technology, engineering and mathematics.
- (c) Provide funding to recruit, retain and support underserved students, as defined by the State Board of Education by rule, for programs that are offered at community colleges and public universities and that can lead to high wage and high demand jobs related to science, technology, engineering and mathematics.
- (d) Develop a systematic survey of facility use to determine how savings for science, technology, engineering and mathematics education can be achieved.
- (e) Fund any other activities related to science, technology, engineering and mathematics education that are identified by the CTE-STEM Investment Council.
- (4) Moneys distributed as provided by subsection (2)(b) of this section to fund activities related to career and technical education that can lead to high wage and high demand jobs shall be used for:
- (a) Programs that expose students to career and technical education programs that can lead to high wage and high demand jobs.
  - (b) Career and Technical Education Revitalization grants awarded under ORS 344.075.
- (c) Student leadership organizations related to career and technical education programs that can lead to high wage and high demand jobs.
- (d) Distribution to school districts to support career and technical education programs in the school district that are approved by the Department of Education as being high quality and that can lead to high wage and high demand jobs. Moneys must be distributed to each school and public charter school in the school district based on the number of students enrolled at the school with the following characteristics:
- (A) Students who are enrolled in and earned three or more credits for courses that are part of a career and technical education program that can lead to high wage and high demand jobs and that

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are approved by the Department of Education.

- (B) Students who acquire an industry credential that can lead to a high wage and high demand job and that is approved by the Department of Education.
- (C) Students described in subparagraph (A) or (B) of this paragraph who are historically underserved, as defined by the State Board of Education by rule.
- (e) Administration of grants for the purpose of expanding teacher training programs and opportunities related to career and technical education that can lead to high wage and high demand jobs.
- (f) Administration of a pilot program to increase students' exposure and access to career and technical education that can lead to high wage and high demand jobs.
- (g) Funding any other activities related to career and technical education that can lead to high wage and high demand jobs and that are identified by the CTE-STEM Investment Council.
- (5) Except as otherwise provided, moneys distributed under subsections (3) and (4) of this section shall be distributed to school districts, education service districts, public schools, public charter schools, community colleges or public universities or any thereof in partnership with youth job development organizations, as defined in ORS 344.415, nonprofit organizations or other entities identified by the State Board of Education by rule.
- (6) From the moneys available under subsection (2) of this section, the Department of Education[, the STEM Investment Council and the committee established under ORS 344.075 combined] and the CTE-STEM Investment Council may retain no more than a total of five percent of all moneys distributed for a fiscal year for administrative expenses incurred under this section.
- (7) The Department of Education, in collaboration with the [STEM Investment Council and the committee established under ORS 344.075] CTE-STEM Investment Council, shall submit a biennial report to the Legislative Assembly related to distributions made under this section. The report must include metrics that identify how distributions made under this section are contributing to the development of a skilled workforce that is able to secure high wage and high demand jobs.
- **SECTION 13.** ORS 327.372, as amended by section 2, chapter 763, Oregon Laws 2015, is amended to read:
- 327.372. (1) Activities related to science, technology, engineering and mathematics education and activities related to career and technical education that can lead to high wage and high demand jobs shall be funded as provided by this section.
- (2) The Department of Education shall distribute moneys in the [Connecting Education to Careers Account] CTE-STEM Investment Council Fund established by ORS 327.376 as follows:
- (a) Forty percent for activities related to science, technology, engineering and mathematics education that are described in subsection (3) of this section. Moneys shall be distributed by the department under this paragraph based on recommendations of the [STEM Investment Council] CTE-STEM Investment Council.
- (b) Sixty percent for activities related to career and technical education that can lead to high wage and high demand jobs and that are described in subsection (4) of this section. Moneys shall be distributed by the department under this paragraph based on recommendations of the [committee established under ORS 344.075] CTE-STEM Investment Council.
- (3) Moneys distributed as provided by subsection (2)(a) of this section to fund activities related to science, technology, engineering and mathematics education shall be used to:
- (a) Expand and sustain regional networks that support science, technology, engineering and mathematics.

- (b) Award grants that expand the implementation of effective programs related to science, technology, engineering and mathematics, that propose innovative approaches or programs related to science, technology, engineering and mathematics or that provide professional development related to teaching science, technology, engineering and mathematics.
- (c) Provide funding to recruit, retain and support underserved students, as defined by the State Board of Education by rule, for programs that are offered at community colleges and public universities and that can lead to high wage and high demand jobs related to science, technology, engineering and mathematics.
- (d) Develop a systematic survey of facility use to determine how savings for science, technology, engineering and mathematics education can be achieved.
- (e) Fund any other activities related to science, engineering and mathematics education that are identified by the [STEM Investment Council] CTE-STEM Investment Council.
- (4) Moneys distributed as provided by subsection (2)(b) of this section to fund activities related to career and technical education that can lead to high wage and high demand jobs shall be used for:
- (a) Programs that expose students to career and technical education programs that can lead to high wage and high demand jobs.
  - (b) Career and Technical Education Revitalization grants awarded under ORS 344.075.
- (c) Student leadership organizations related to career and technical education programs that can lead to high wage and high demand jobs.
- (d) Distribution to school districts to support career and technical education programs in the school district that are approved by the Department of Education as being high quality and that can lead to high wage and high demand jobs. Moneys must be distributed to each school and public charter school in the school district based on the number of students enrolled at the school with the following characteristics:
- (A) Students who are enrolled in and earned three or more credits for courses that are part of a career and technical education program that can lead to high wage and high demand jobs and that are approved by the Department of Education.
- (B) Students who acquire an industry credential that can lead to a high wage and high demand job and that is approved by the Department of Education.
- (C) Students described in subparagraph (A) or (B) of this paragraph who are historically underserved, as defined by the State Board of Education by rule.
- (e) Administration of grants for the purpose of expanding teacher training programs and opportunities related to career and technical education that can lead to high wage and high demand jobs.
- (f) Administration of a pilot program to increase students' exposure and access to career and technical education that can lead to high wage and high demand jobs.
- (g) Funding any other activities related to career and technical education that can lead to high wage and high demand jobs and that are identified by the [committee established under ORS 344.075] CTE-STEM Investment Council.
- (5) Except as otherwise provided, moneys distributed under subsections (3) and (4) of this section shall be distributed to school districts, education service districts, public schools, public charter schools, community colleges or public universities or any thereof in partnership with youth job development organizations, as defined in ORS 344.415, nonprofit organizations or other entities identified by the State Board of Education by rule.
  - (6) From the moneys available under subsection (2) of this section, the Department of

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- Education[, the STEM Investment Council and the committee established under ORS 344.075 combined] and the CTE-STEM Investment Council may retain no more than a total of five percent of all moneys distributed for a fiscal year for administrative expenses incurred under this section.
- (7) The Department of Education, in collaboration with the [STEM Investment Council and the committee established under ORS 344.075] CTE-STEM Investment Council, shall submit a biennial report to the Legislative Assembly related to distributions made under this section. The report must include metrics that identify how distributions made under this section are contributing to the development of a skilled workforce that is able to secure high wage and high demand jobs.

### **SECTION 14.** ORS 327.376 is amended to read:

327.376. (1) The [Connecting Education to Careers Account] CTE-STEM Investment Council Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the [Connecting Education to Careers Account] CTE-STEM Investment Council Fund shall be credited to the [account] fund. Moneys in the [account] fund are continuously appropriated to the Department of Education for distribution as provided by ORS 327.372.

(2) The fund consists of:

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- (a) Moneys appropriated or otherwise transferred to the fund by the Legislative Assembly;
  - (b) Moneys donated to the fund;
  - (c) Investment earnings received on moneys in the fund; and
  - (d) Any other amounts deposited in the fund from any source.
- SECTION 15. (1) The amendments to ORS 327.376 by section 14 of this 2017 Act are intended to change the name of the "Connecting Education to Careers Account" to the "CTE-STEM Investment Council Fund."
- (2) For the purpose of harmonizing and clarifying statutory law, the Legislative Counsel may substitute for words designating the "Connecting Education to Careers Account," wherever they occur in statutory law, other words designating the "CTE-STEM Investment Council Fund."

#### **SECTION 16.** ORS 327.380 is amended to read:

- 327.380. (1) The STEM Investment Grant Program is established to provide funding to school districts, community colleges and public universities listed in ORS 352.002 to advance the goals [described in ORS 326.500 (2)] and strategic plan as described in section 2 (1) of this 2017 Act.
- (2) The [STEM Investment Council] CTE-STEM Investment Council shall evaluate grant applications and make recommendations on the applications to the Chief Education Officer. Under the direction of the Chief Education Officer, the Department of Education shall distribute moneys for the grant program and otherwise administer the grant program.
  - (3)(a) An application for a grant awarded under this section may be submitted by:
- (A) A school district;
- (B) A community college district;
- 39 (C) A public university;
- 40 (D) The Department of Education;
- 41 (E) The Higher Education Coordinating Commission;
- 42 (F) Any other state agency; or
- 43 (G) Any combination of entities identified in this paragraph that are organized as a partnership 44 or a regional effort to improve student achievement in science, technology, engineering or math-45 ematics.

(b) A grant awarded under this section may be used for:

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- (A) Classroom or extracurricular activities that further the development of skills related to science, technology, engineering or mathematics; or
- (B) A project that is related to science, technology, engineering or mathematics and that involves collaboration with a private entity.
  - (4) When evaluating applications for a grant, the council:
- (a) Shall give priority to applications for activities or projects that produce the largest impact at the lowest cost or for the greatest number of students throughout this state, including grants for activities or projects that:
  - (A) Are determined by the council to be likely to become self-supporting within three years;
- 11 (B) Expand evidence-based, effective practices in science, technology, engineering or mathemat-12 ics;
  - (C) Can be replicated by other entities in this state;
  - (D) Show evidence of attracting matching funds;
  - (E) If the applicant is an entity identified in subsection (3)(a)(A) to (C) of this section, have demonstrable support from the governing body of the entity;
  - (F) Help improve access by underrepresented groups to activities that involve science, technology, engineering or mathematics; or
  - (G) Are elements of a partnership or a regional effort to improve student achievement in science, technology, engineering or mathematics;
  - (b) May give priority to applications for activities or projects that benefit students in more than one student group among students in kindergarten through grade 12, students in community colleges and students in universities;
  - (c) Shall attempt to achieve a balance, as determined by the council, among grants that are awarded for the sole benefit of students in kindergarten through grade 12, students in community colleges and students in universities; and
    - (d) Shall take into consideration geographic and demographic diversity.
  - **SECTION 17.** ORS 327.380, as amended by section 8, chapter 739, Oregon Laws 2013, section 77, chapter 366, Oregon Laws 2015, and section 101, chapter 767, Oregon Laws 2015, is amended to read:
  - 327.380. (1) The STEM Investment Grant Program is established to provide funding to school districts, community colleges and public universities listed in ORS 352.002 to advance the goals [described in ORS 326.500 (2)] and strategic plan as described in section 2 (1) of this 2017 Act.
  - (2) The [STEM Investment Council] CTE-STEM Investment Council shall evaluate grant applications and make recommendations on the applications to the Superintendent of Public Instruction. Under the direction of the Superintendent of Public Instruction, the Department of Education shall distribute moneys for the grant program and otherwise administer the grant program.
    - (3)(a) An application for a grant awarded under this section may be submitted by:
- 39 (A) A school district;
- 40 (B) A community college district;
- 41 (C) A public university;
- 42 (D) The Department of Education;
  - (E) The Higher Education Coordinating Commission;
- 44 (F) Any other state agency; or
- 45 (G) Any combination of entities identified in this paragraph that are organized as a partnership

- or a regional effort to improve student achievement in science, technology, engineering or mathematics.
  - (b) A grant awarded under this section may be used for:
  - (A) Classroom or extracurricular activities that further the development of skills related to science, technology, engineering or mathematics; or
  - (B) A project that is related to science, technology, engineering or mathematics and that involves collaboration with a private entity.
    - (4) When evaluating applications for a grant, the council:
  - (a) Shall give priority to applications for activities or projects that produce the largest impact at the lowest cost or for the greatest number of students throughout this state, including grants for activities or projects that:
    - (A) Are determined by the council to be likely to become self-supporting within three years;
  - (B) Expand evidence-based, effective practices in science, technology, engineering or mathematics;
    - (C) Can be replicated by other entities in this state;
      - (D) Show evidence of attracting matching funds;
    - (E) If the applicant is an entity identified in subsection (3)(a)(A) to (C) of this section, have demonstrable support from the governing body of the entity;
    - (F) Help improve access by underrepresented groups to activities that involve science, technology, engineering or mathematics; or
    - (G) Are elements of a partnership or a regional effort to improve student achievement in science, technology, engineering or mathematics;
    - (b) May give priority to applications for activities or projects that benefit students in more than one student group among students in kindergarten through grade 12, students in community colleges and students in universities;
    - (c) Shall attempt to achieve a balance, as determined by the council, among grants that are awarded for the sole benefit of students in kindergarten through grade 12, students in community colleges and students in universities; and
      - (d) Shall take into consideration geographic and demographic diversity.
      - SECTION 18. Section 3, chapter 739, Oregon Laws 2013, is amended to read:
    - Sec. 3. Section 2 [of this 2013 Act], chapter 739, Oregon Laws 2013, is repealed on [June 30, 2018] the effective date of this 2017 Act.

SECTION 19. ORS 326.500 is repealed.

SECTION 20. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Education, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$\_\_\_\_\_\_, which shall be expended for grants awarded under ORS 344.075.

SECTION 21. In addition to and not in lieu of any other appropriation, there is appropriated to the Chief Education Office, for the biennium beginning July 1, 2017, out of the General Fund, the amount of \$200,000, which shall be expended for operating expenses related to the CTE-STEM Investment Council.

SECTION 22. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect July 1, 2017.