

Oregon Workforce Investment Board

**February 14, 2014
1:00 – 4:00 pm**

**Chemeketa Community College–Winema Building 48
4001 Winema Place NE, Salem 97305**

**Oregon at Work
Quality Jobs – Skilled Workers
Contributing to a strong state economy and local prosperity**

OREGON WORKFORCE INVESTMENT BOARD

OREGON AT WORK

QUALITY JOBS – SKILLED WORKERS

CONTRIBUTING TO A STRONG STATE ECONOMY AND LOCAL PROSPERITY

Agenda

Friday, February 14, 2014

1:00 – 4:00 pm

Chemeketa Community College–Winema Building 48
4001 Winema Place NE, Salem 97305

Meeting Theme: Unemployment Debrief

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|------|---|----------------------------------|
| 1:00 | 1. Welcome and Introduction of New Members | Vice Chair |
| 1:05 | 2. Open Public Comment
<i>The Oregon Workforce Investment Board is a public body. The public is welcomed to submit written or verbal comments during this portion of the meeting.</i> | Vice Chair |
| 1:15 | 3. Consent Agenda <ul style="list-style-type: none">a. January 3, 2014 meeting minutesb. Memo of Clarification on Recommendation #6 | Vice Chair |
| 1:20 | 4. Oregon Employment Department Research Division <ul style="list-style-type: none">a. Introduction to the Employment Department's Research Divisionb. Oregon's Workforce System Performance Measuresc. Employment Update: Job Growth, Unemployment Trends, Part-Time Workers, Declining Labor Force | Graham Slater |
| 1:50 | 5. Unemployment Insurance Briefing <ul style="list-style-type: none">a. Historical Perspective on Unemployment Insuranceb. Overview of Systemc. Federal and State Legislation Updates | David Gerstenfeld |
| 2:30 | 6. HECC/OWIB Alignment <ul style="list-style-type: none">a. Creation of a HECC/OWIB taskforceb. Understanding the “middle 40”c. Defining shared space | Agnes Balassa/
Shalee Hodgson |
| 3:25 | 7. Governor’s Office Updates <ul style="list-style-type: none">a. Legislative Updatesb. Workforce Redesign Recommendation Implementationc. Local Workforce Investment Area Designation Changes | Agnes Balassa |
| 3:50 | 8. Announcements | All |
| 4:00 | 9. Adjourn | |

Oregon Workforce Investment Board meetings are held in accordance with open meeting laws and with accessibility requirements. If there is a person with a disability who may need assistance in order to attend or participate in a meeting or if a person wishes to offer comments on any item on the agenda, please notify Yolonda Garcia at 503-947-5949. TTY is also available: 1-800-735-2900. A sign-up sheet for those who wish to offer comments or testimony on any item will be available at the meeting.

Action Item
Consent Agenda

Minutes from January OWIB Board Meeting

The minutes from the January OWIB board meeting are enclosed in the packet.

Memo of Clarification on Recommendation #6 of Workforce Redesign

Background: The agency heads have put together a memo clarifying their understanding of how to proceed with Recommendation #6 of the Workforce Redesign work. Agnes Balassa and Lisa Nisenfeld will provide details on the memo.

Discussion Questions or Recommended Action: Make a motion to accept the minutes and memo.

**Oregon Workforce Investment Board Minutes
Salem, Chemeketa Center for Business and Industry
January 3, 2014**

Attendees:

Members: Agnes Balassa, Susan Brown, Barbara Byrd, Sen. Michael Dembrow, Maureen Falit, Jesse Gamez, Jessica Gomez, Gerald Hamilton, Megan Helzerman (via phone), Rep. John Huffman, Dacia Johnson, Lori Luchak, Ken Madden, Lisa Nisenfeld, Rosie Pryor, Marvin Revoal, Cheryl Roberts (via phone), Barbara Rodriguez, Stephaine Taylor, Alan Unger, Frank Wall.

Guests: Kim Parker, Jordana Barclay, Jim Pfarrer, Tom Previs, Pamela Murray, Melissa Leoni, Karen Humelbaugh, Robert Brown, Jim Fong, Clay Martin, Tim McGann, Tony Frazier, Shaun Jillions, John Wykoff, Mary Spilde, Paul Hill, Katherine Bartlett, Wayne Fanno, Cathy Wilkns, Jessica Howard, Tom Erhardt, Kristin Kahler-Jones, Molly Young, Kim Freeman.

Staff: Tracy O'Brien

Absent: Erinn Kelley-Siel, Karen Goddin, Claire Spanbock, Dave Baker, Laura McKinney, Sen. Diane Rosenbaum, Art Paz, Joe Webber, Kate Wilkinson, Sen. Larry George.

Meeting called to order at 1:06 p.m.

Board Chair Pryor called the meeting to order. OWIB members and guests provided introductions. O'Brien reviewed meeting agenda and attachments for the meeting.

Public Comment

Tony Frazier spoke on behalf of the Oregon Workforce Partnership. He stated that the work group recommendations best achieve the outcomes desired by the Governor, as they address inefficiencies in the current system and provide greater accountability. A more streamlined system helps all partners, and allows LWIBs to focus on serving customers. Regardless of state structures, LWIBs will continue to work with community college partners on enhancing collaboration serves to advance the state's 40-40-20 goals. Frazier noted that, though all stakeholders did not get everything wanted, the recommendations represent a significant step forward.

Cathy Wilkins, President of Oregon Employer Council (OEC), said she would like to find a greater partnership with OWIB because OEC is the voice of business. She expressed concerns that shifting SEDAF funding will create a loss of connection between job seekers and what businesses fundamentally need. She stated that businesses need the system to focus on the middle 40, the area that affects them most. She does not want to lose the voice of business that is in the Oregon Employer Council.

John Wykoff, Legislative Director for the Oregon Community College Association (OCCA), expressed concerns about the redesign process. He stated that the community colleges were not adequately

engaged, and that OCCA believes the changes recommended to Title 1B will have profound consequences to CCWD and the ability to align workforce and education. He asked for OWIB and HECC to be jointly engaged in discussion on what should be common metrics. OCCA opposes moving Title 1B in the 2014 short session because of what they believe will be negative consequences to CCWD, and the claims of efficiencies are not fully explained. He noted OCCA agrees on probably 19 of the 20 other recommendations in the consultants' report.

Consent Agenda

Madden moved to approve the consent agenda, Unger seconded, motion passed unanimously.

Governor Kitzhaber's statement

Balassa read a letter from Governor Kitzhaber to the OWIB. He was originally slated to attend the December OWIB meeting, prior to its cancellation. His letter expressed thanks to the OWIB for the work they have done around strategic planning and initiating system redesign. The Governor thanked Chair Pryor for her leadership during this process, and asked Ken Madden to serve as new Chair and Jessica Gomez as Vice Chair. The letter encouraged the OWIB to move forward, as status quo for the workforce system is not an option.

Rechartering Criteria for OWIB and LWIBs

Balassa stated that, as part of the Executive Order, there was to be a set of criteria for rechartering OWIB and LWIBs by December 31, 2013. Due to cancellation of the December OWIB meeting, this action item was being addressed in this meeting. Balassa highlighted pages 19-24 of the Board packet, which outlined the functions which OWIB and LWIBs will be chartered to provide, alongside the criteria to be met by June 30, 2015. This has been previously discussed at the November OWIB meeting. Nisenfeld asked to correct the dates on the tables from 2105 to 2015. The OWIB will have a role in determining if LWIB criteria have been met, and the Governor will determine if the OWIB meets criteria. Revoal asked if LWIBs are aware OWIB will be determining if they meet the criteria. Balassa responded that they are aware.

Madden moved that the OWIB recommend that the Governor adopt the OWIB and LWIB rechartering criteria, Luchak seconded, motion passed unanimously.

Workforce System Redesign Work Group Recommendations

O'Brien reminded the Board about the extensive presentation during the November meeting regarding the work group recommendations, and that the Board had asked for additional information. Specific questions were raised if the recommendation to move Title 1B was not approved, could the other recommendations proceed. Balassa discussed the timeline of OWIB recommendations in context of upcoming legislation. She acknowledged it was awkward to begin drafting legislation prior to the OWIB vote, but due to the December meeting cancellation, it was important to have the agencies begin developing contingencies and not wait until the January OWIB meeting.

Nisenfeld presented a graphic of the workforce system current state, reminding the Board that the initial recommendation was to move WIA Title 1B from being administered by CCWD to OED. She noted the funds would still go directly to LWIBs, who are responsible for local administration and services. Balassa added that one of the challenges of this current governance structure, from the Governor's Office perspective, is that one agency (CCWD) has two governing Boards – HECC and OWIB while OED does not have any direct connection to the OWIB or the LWIBs in terms of governance. This is problematic, because the resources to get the unemployed back to work are primarily in OED. At the local level, workforce funds from both OED and CCWD are delivered jointly at WorkSource. She noted one of the intent of system redesign is to align governance that allows OWIB to play its appropriate role for the larger workforce system that includes OED, while addressing that fact that CCWD currently answers to two masters.

Nisenfeld continued with the workforce system Future State graphic. She noted the OED Advisory Committee oversees the Unemployment Insurance system. This will continue, but will be better connected to OWIB. Nisenfeld noted, in response to earlier public comment, that OED is not contemplating any change in administration of SEDAF funds.

The work group responded to the prior OWIB meeting question regarding whether Recommendation #6 (Redesign the Oregon Employment Department as Oregon's lead agency for workforce programs, including the relocation of the state level WIA Title I-B and Oregon Youth Conservation Corps programs to OED) was severable from the other recommendations. The work group has determined this is possible in the short term and would allow the work group to spend the coming year developing a way to manage the issues of the movement of the Title 1B funds without adversely affecting CCWD. This discussion would occur between agencies, governor, and others to develop a scenario that works for all stakeholders.

The workgroup combined its list of 15 recommendations into six categories. OED will work cooperatively with CCWD to staff OWIB in the coming year, so OWIB has jurisdiction over a more transparent Employment Department. The discussion of administration of WIA will be moved to 2015 full session. Hamilton added this additional time helps CCWD, and urged the OWIB to recognize that workforce is a huge part of the colleges' mission.

Nisenfeld called out #5 of the Memo on page 67 that calls for creation of an innovation fund and function at OED and noted OED is looking to identify resources to seed this fund. Nisenfeld stated partners are on the same page with what all are trying to accomplish, they just need to work through it together. Revoal asked if there is an understanding that The Title 1B fund transfer to OED was still in the works. Balassa responded yes.

Balassa concluded that the intent for 2014 legislation is to move forward on most pieces, primarily around governance. The goal between now and 2015 is to solidify the plan for Title 1B proposal the future of CCWD, and the structure of the Higher Education Coordinating Commission. It will be helpful to do this all as one package. Gomez asked if there will be a gap in funding at CCWD when Title 1B moves. Balassa noted that movement of funds could not happen until 2015 due to budgeting timelines.

Balassa acknowledges that CCWD could face a funding and staffing gap if the situation was not handled carefully.

Rep. Huffman asked if this change means the timeline around potentially redistricting workforce investment area would move forward, as he suggested efficiencies could be gained by this. Balassa clarified that the LWIA areas are designated by the Governor and are not included in these recommendations. However, LWIB boundary discussions could be addressed sooner, in light of the delayed movement of the Title 1B program. She noted the locals have concerns about redistricting, but they need the clarity in order to achieve their strategic plans.

Rep Huffman asked if there has been time to fully explore the criticism that efficiencies have not been identified from the system redesign. Balassa noted that LWIBs have provided testimony regarding concerns about receiving multiple points of guidance, and lack of clarity on whether state agencies are also required to follow this guidance, wasting energy, time and resources that could go into service delivery. This is one point of efficiency that would be gained. In addition, having Title 1B and OED working together at the state level could create more opportunities to get people back to work faster, creating efficiencies in the use of the more than \$1 billion in UI funds. Nisenfeld also noted that OED is looking throughout the agency for efficiencies in general, regardless of what does or does not occur with larger system changes. Beginning in March, OED and LWIBs will be convening meetings with stakeholders to talk about what each part of state needs most to better deliver services. Efficiencies will become more apparent as this conversation is further explored. Balassa also reminded the board that it had tasked the workforce system with the development of an efficiency measure which has not yet been developed. This will provide a consistent way to gauge efficiencies in the future.

Rep. Huffman remembered a Kulongoski proposal to divert funds from UI Trust Funds, and inquired if anything similar was being pursued. Balassa said there is no such proposal from the Governor's office and reminded the Board that SEDAF is the only currently sanctioned diversion. The SEDAF fund will not be moving, but the question is around how it can best be utilized. Rep Huffman expressed support to moving the Title 1B discussion to 2015, as it gives necessary time to build community college budget and fill the possible vacuum. Rep. Huffman inquired to Hamilton if he was comfortable with the revised timeline. Hamilton responded that more time is better, and the question is how community colleges get incorporated inside the umbrella of HECC.

Gomez said that it seemed like moving WIA funds created more efficiency in the way funds flowed, so if that move is delayed, how does that affect our progress? Balassa responded the decision could have been made in 2014 session, but the actual move would not have occurred until 2015 regardless. But, since many legislators were clear that they would not support the movement of Title 1B funds in 2014, there was no choice but to wait, regardless of the potential impact on efficiencies.

Gamez asked if moving the money means services are going to be disrupted and wonders if the change is an additive rather than efficiency? OWIB's interest is making sure there are services to the unemployed.

Sen. Dembrow stated his appreciation for the direction the OWIB is headed, and feels it would have been premature to move forward at this point. He identified two potential problems with moving Title 1B at this point – how to mitigate any negative effects within CCWD, and that it could move us further away from focus on the middle 40. He said as new budgets are prepared decisions can be made that can address both of these areas. He asked that OWIB focus on discussing the 40-40-20 goals, and it should coincide with the HECC's work. There is still work to be done in identifying greater efficiencies in moving over to OED, and the Legislature will want to see more concrete examples of where inefficiencies are now and how it hurts people's ability to find jobs.

Balassa drew attention to the fact that the Memo from the Agency Directors also focused on serving those with barriers to employment. This redesign is intended to help all those who want to work, including those with severe barriers to employment. She pointed out that the agencies had not lost track of this conversation in their recommendations.

Madden moved that the OWIB recommend to the Governor that the following work already in progress continue (all together):

- Recommendation #1: Direct an interagency workgroup to develop a system-wide, state-level balanced score card by June 2014.
- Recommendation #2: In partnership with Local Workforce Boards, create a process to cascade state-level metrics to the local level so that local boards can monitor performance and prioritize strategies and resources to maximize results for job seekers.
- Recommendation #10: Strengthen the role of the LWIBs by entering into charters that clearly spell out the roles and responsibilities of the LWIB as well as the commitments of state agencies and the OWIB in supporting the LWIBs.
- Recommendation #11: Direct the LWIBs and workforce agencies to enter into performance compacts to clarify the performance expectations of the LWIBs and the programs in their communities.

Revoal seconded, motion passed unanimously.

Madden moved that the OWIB make the following recommendations to the Governor related to workforce and employment related services for persons with disabilities, persons living at or below the poverty line and the chronically unemployed and underemployed:

- Recommendation #3: Convene workforce system partners to conduct a system-wide review of existing workforce and employment related programs, services and policies for persons with disabilities, persons living at or below the poverty line and chronically unemployed and underemployed.
- Recommendation #4: Direct the workforce system partners to develop a statewide workforce policy for persons with disabilities, persons living at or below the poverty line and the chronically unemployed and underemployed that establishes goals for improved workforce services.

- Recommendation #5: Direct the workforce system agencies to submit a biennial report to the Governor charting the progress in achieving outcomes for persons with disabilities, persons living at or below the poverty line and the chronically unemployed and underemployed as well as documenting special initiatives and efforts to implement best practices.

Gomez seconded, motion passed unanimously.

Chair Pryor invited members of Board to provide thoughts on Recommendation #6 - redesign the Oregon Employment Department as Oregon's lead agency for workforce programs, including the relocation of WIA Title I-B and the Oregon Youth Conservation Corps programs to OED. Brown appreciated the clarification provided at the November meeting about system resources and the OWIB role. Luchak said she was comfortable with postponing the discussion of moving Title IB, but was anxious to move forward. Fallt stated that from a change management perspective, delaying the move addresses the need to give people time to process change. Rodriguez agreed it made sense to postpone Recommendation #6 to get more clarity. Unger has concerns that delaying this means the process will inevitably take forever, and urges the group to move forward. Byrd noted she was relieved to postpone Recommendation #6, as those she represents who teach at community colleges are confused by the suggested changes. She also wanted it noted that the workforce training definition should be expanded beyond purview of community colleges, as apprenticeship is also a key workforce training program. Wall reiterated Byrd's support for apprenticeship. He expressed concern that a delay in decision means OWIB is not focusing on our mission. He wondered what the consequences are that the community colleges refer to, and how this affects OWIB's mission.

Roberts said that community colleges are the link between workforce and business, and wants to make sure that both OEIB and HECC have robust conversation about shared space. Gomez stated the importance in getting redesign done correctly, but hopes the focus will be on creating a system that is effective. Madden said this is an opportunity to promote dialogue and hopes to work through the community colleges' concerns. Gamez appreciates taking all stakeholders into account so we do not have to backtrack. Sen. Dembrow agreed with previous statements that the role of apprenticeships in workforce development should be a focus, and noted there will be upcoming Legislation that clarifies that trade apprenticeship is part of "middle 40".

Rep. Huffman thanked Balassa for her work in the redesign effort. He concurred that there should be value on all workforce training-apprenticeships, community college training, and other training but to address chronically underemployed issues he believes the Governor needs to ask all workforce partners to work together and collaborate. Johnson also thanked Balassa for navigating this change, and reiterated support for serving populations with barriers to employment. Taylor expressed support for the innovation fund, stating that all will benefit when we are able to leverage resources and support those who have not always been assisted. Revoal stated he wants to see legislature support these programs with funding.

Chair Pryor reminded the Board there was no motion on floor. She requested, by show of hands, who would support taking another year to work out issues around Recommendation #6. The majority raised their hand. She stated that she was satisfied with this response and did not request a formal motion.

Madden moved that the OWIB make the following recommendations to the Governor to enhance the role of the Oregon Workforce Investment Board regarding workforce development:

- Recommendation #7: Enhance the role of the OWIB within the workforce system, including making it the advisory committee to a newly redefined Oregon Employment Department, through legislation in the 2014 Legislative Session.
- Recommendation #8: Dedicate professional staff for the OWIB located at OED.
- Recommendation #9: Establish clear collaborative relationships with the other state advisory bodies whose missions include workforce development.

Gomez seconded, motion passed unanimously.

Madden moved that the OWIB make the following recommendation to the Governor:

- Recommendation #12: Approve a dispute resolution process to resolve disagreements between state agencies and the LWIBs.

Wall seconded, motion passed unanimously.

Madden moved that the OWIB make the following recommendations to the Governor to enhance support for service delivery:

- Recommendation #13: Create a workforce system innovation and capacity building function within the redesigned OED.
- Recommendation #14: Develop and integrate information systems to ensure that the state agencies have the tools necessary for service delivery.
- Recommendation #15: Challenge state agencies and LWIBs to find local opportunities to pilot new models of service delivery across workforce system programs.

Byrd inquired how Recommendation #13 could occur, since OED will not necessarily be redesigned. Balassa responded that, with or without Title 1B funds, OED can fund the innovation capacity. Byrd requested that "redesigned" be struck from recommendation #13. *Unger seconded, motion passed unanimously.* Chair Pryor noted that 14 recommendations will be forwarded to Governor on workforce system redesign.

OWIB Year in Review

O'Brien provided a 2013 OWIB Year in Review. Accomplishments included submission of HB 4141 Report to the Legislation, undertaking system innovation efforts, holding two statewide industry sector strategy events, and aligning the NCRC and CWRC Sub-Committees.

Unemployment Insurance Update

Nisenfeld noted that generally, UI would not be discussed at OWIB, but she wanted to start preparing the board for the role they would play in the future related to UI. She said this is also a way for the OWIB to get a broader view of the system. Nisenfeld shared that the federal UI extension program has expired; leaving 17,800 Oregonians who have exhausted UI benefits without federally funded extended benefits. OED has received a Legislative inquiry on what it would take to run a state funded UI extension, funded from the UI trust fund. She noted OED is not recommending one way or another, as that is the role of the Legislature. It would cost approximately \$30 million to fund an additional 4-6 weeks of extension for about 22,000 people. They will have to wait to see if Federal government renews an extension first. This issue will be further discussed at February OWIB meeting.

Balassa noted OWIB has not discussed UI frequently, but inquired if the Board was interested in better understanding this component of the system. Nisenfeld said the challenge is to connect the UI system with training/workforce development system, and she would like the OWIB to understand these issues as part of a system, rather than a collection of programs. Members agreed it was important for them to learn more about UI, and expressed support for further information to be shared at future OWIB meetings.

Chair Pryor Remarks

Chair Pryor noted O'Brien had accepted another position and would no longer be staffing OWIB. She thanked her for her work. Chair Pryor congratulated Madden on his new role as Chair and presented the Chair gavel to him.

Meeting adjourned at 3:08 pm.

Memorandum

Date: January 29, 2013

To: Ken Madden, Chair, Oregon Workforce Investment Board
Jessica Gomez, Vice-Chair, Oregon Workforce Investment Board

From: Karen Goddin, Managing Director, Business Oregon
Gerald Hamilton, Interim Exec Director, Community Colleges & Workforce Dev.
Dacia Johnson, Director, Commission for the Blind
Erinn Kelley-Siel, Director, Department of Human Services
Lisa Nisenfeld, Director, Oregon Employment Department
Stephaine Taylor, Director, Vocational Rehabilitation

CC: Agnes Balassa, Alan Unger, Barbara Byrd, Barbara Rodriguez, Cheryl Roberts, Claire Spanbock, Dave Baker, Frank Wall, Jeffrey Krolick, Jesse Gamez, Joe Weber, Kate Wilkinson, Laura McKinney, Lori Luchak, Matt Millard, Marvin Revoal, Maureen Fallt, Megan Helzerman, Rep. John Huffman, Rep. Paul Holvey, Sen. Larry George, Sen. Michael Dembrow, Susan Brown

Re: Workforce System Redesign

At the last board meeting on January 3, 2014, we provided a recommendation that a phased approach be taken to redesign recommendation #6: the redesign of the Oregon Employment Department to serve as the state's workforce agency. While OWIB did not take a formal vote on recommendation #6, the past chair, Rosie Pryor, asked for a show of hands to indicate whether board members could accept the recommendation that we had provided. A significant majority of board members indicated they could accept the recommendation.

Therefore, as the agency heads who are responsible for implementing redesign recommendations, we have mapped out what it will take to implement all of the recommendations and have begun to take next steps with a phased approach to recommendation #6. The attached timeline illustrates our high level plan for moving forward.

We commit to reporting on our progress at upcoming meetings, and look forward to our joint efforts to create the most effective workforce system for our citizens and businesses.

Workforce Development Timeline																								
Policy Recs #	Work Group Recommendation	January 2014	February 2014	March 2014	April 2014	May 2014	June 2014	July 2014	August 2014	September 2014	October 2014	November 2014	December 2014	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	July 2015	Requires OWIB Adoption	Requires Legislation		
State Budgeting Dates				Budgeting Calendar released						Final Agency Requested Budgets			Incumbant Governor's Budget	Governor-Elect Budget										
Legislative Dates		01/15-01/17	02/03-02/28	03/09 Constitutional Sine Die		05/28-05/30				09/15-09/17			12/8-12/10	1/5/2015 Session Begins	Session	Session	Session	Session	Session					
Dates to Consider		01/13 LC return deadline; 01/21 LC drop deadline	02/12 Revenue forecast			05/20 Primary Election						11/04 General Election												
1 (BLUE)	Direct an interagency workgroup to develop a system-wide, state level balanced score card by June 2014	Direct an interagency workgroup to develop a balanced score card by 6/14																						
2 (BLUE)	In partnership with Local Workforce Investment Boards, create a process to cascade state level metrics to the local level so that local boards can monitor performance and prioritize strategies and resources to maximize results for job seekers.						Create a process for a state-level matrix w/ LWIBs																	
3 (PURPLE)	Convene workforce system partners to conduct a system wide review of existing workforce and employment related programs, services and policies for persons living at or below the poverty line and those chronically un/underemployed.			Conduct a system-wide review with workforce partners																		X		
4 (PURPLE)	Direct the workforce system partners to develop a statewide workforce policy for persons with disabilities, persons living at or below the poverty line and the chronically un/underemployed that establishes a goals for improved workforce services. 5) Direct the workforce system agencies to submit a biennial report to the Governor charting the progress in achieving outcomes for persons with disabilities, persons living at or below the poverty line and the chronically un/underemployed as well as documenting special initiatives and efforts to implement best practices.			Agencies develop aligned statewide workforce policy for special populations							Workforce system agencies to submit a biennial report on achieving outcomes special populations										X			
5 (STEELE)	Update the Oregon Employment Department (OED) as Oregon's lead agency for workforce programs, including the relocation of the state WIA Title I-B and Oregon Youth conservation Corps programs to OED. (Pending 2015 Legislative Session)			Agency budget preparation for OED transition to lead agency for workforce programs to reflect Governor's direction																			X	
6 (GREEN)	Enhance the role of the OWIB within the workforce system, including making it the advisory committee to a newly redefined Oregon Employment Department, through legislation in the 2014 Legislation Session.			Enhance Role of OWIB within workforce system																			X	X
7 (GREEN)	Dedicate professional staff for the OWIB located at OED.			Dedicate Professional OWIB staff at OED																		X	X	
8 (GREEN)	Establish clear collaborative relationships with the other state advisory bodies whose missions include workforce development.			Establish clear collaborative relationships with the other state advisory bodies																		X		
9 (NAVY)	Strengthen the role of the LWIBs by entering into charters that clearly spell out the roles and responsibilities of the LWIB as well as the commitments of the state agencies and the OWIB in supporting the LWIB.	Strengthen LWIBs role - agencies to enter into charters w/roles & responsibilities, state agencies & OWIB commitment ; Direct the LWIBs & workforce agencies create compacts that clarify performance for local community programs																						
10 (GR)	Approve a dispute resolution process to resolve disagreements between state agencies and the LWIBs.	Approve an agency/ LWIB dispute resolution process																						
11 (SILVER)	Create a workforce system innovation and capacity building function within OED.		Create a workforce system innovation and capacity building function within OED																			X		
12 (SILVER)	Develop and integrate information systems to ensure that the state agencies have the tools necessary for service delivery.		Develop & integrate information systems to ensure that the state agencies have the tools necessary for service delivery																			X	X	
13 (SILVER)	Challenge state agencies and LWIBs to find local opportunities to pilot new models of service delivery across the workforce system programs.	Agencies and LWIBs to identify and pilot new service delivery models phase I							Agencies and LWIBs to identify and pilot new service delivery models phase II												X			
14 (PEACH)		Develop a communications & outreach strategy to strengthen existing partners and build new relationships																			X	X		

INFORMATION ITEM

OREGON EMPLOYMENT DEPARTMENT RESEARCH DIVISION

The mission of the Oregon Employment Department's Workforce and Economic Research Division can be summed up in four words: *Quality Information. Informed Choices.*

Research Division staff work hard to collect, estimate, analyze, and disseminate a wide variety of workforce information. They publish historical and current trends for Oregon's labor force, unemployment, and employment; historical, current, and projected data on industry and occupational employment; and data and analysis on topics as varied as wages, benefits, vacancies, the supply of workers, difficult-to-fill job openings, youth in the workforce, long-term unemployment, and much more.

The Research Division is also home to Oregon's workforce Performance Reporting Information System (PRISM), and is leading work on developing an entirely new set of performance measures for Oregon's workforce system.

In 2013, the Research Division responded to more than 9,000 information requests, gave more than 350 presentations to a total audience of almost 12,000 individuals, and distributed more than 400,000 reports, publications, and electronic newsletters.

The Division also developed and continually improves Oregon's labor market information website, www.QualityInfo.org. The site's more than 700,000 visitors in 2013 used tools to help them choose occupations and careers, find job openings, and make business decisions.

The Research Division's primary customers include private sector businesses, private and public entities that are part of Oregon's workforce system, news media, economic development organizations, individuals being served by the workforce system, and education entities.

The Research Division seeks to serve customers all across Oregon, with staff located not only in Salem, but in 12 locations across the state. They strive to make information available for all geographic regions of the state, not just for the state as a whole.

Graham Slater, the Administrator of the Workforce and Economic Research Division, will provide a brief overview of the Research Division; a brief discussion of the employment trends that developed during 2013; and a summary of the workforce development-related performance measures that are being developed for Oregon's new, redesigned workforce system.

INFORMATION ITEM UNEMPLOYMENT INSURANCE BRIEFING

As the role of the OWIB is evolving, it is important for the members to get a broader view of the workforce system. Unemployment Insurance (UI) is one component that has not been discussed frequently with the board in the past. However, staff felt it is imperative to start to prepare the board for the role it will play in the future related to UI.

At the January 3rd board meeting, Lisa Nisenfeld, Director of the Oregon Employment Department (OED), shared that the federal UI extension program has expired; leaving 17,800 Oregonians who have exhausted UI benefits without federally funded extended benefits. OED has received a Legislative inquiry on what it would take to run a state funded UI extension, funded from the UI trust fund. She noted OED is not recommending one way or another, as that is the role of the Legislature. It would cost approximately \$30 million to fund an additional 4-6 weeks of extension for about 22,000 people. They will have to wait to see if the federal government renews an extension first.

After this brief report, the board members expressed an interest in gaining a better understanding Unemployment Insurance. David Gerstenfeld, the Assistant Director for Unemployment Insurance for OED, will be providing the board with an overview of the system along with updated information on federal and state legislation related to extensions.

Oregon Workforce Investment Board

Unemployment Insurance

February 14, 2014

David K. Gerstenfeld
Assistant Director for Unemployment Insurance

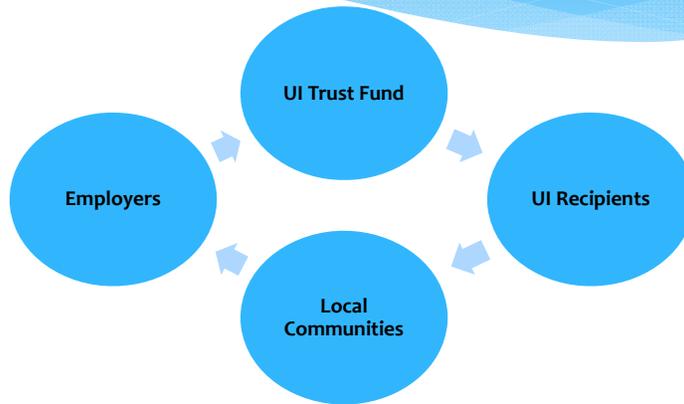


Unemployment Insurance

- * National Unemployment Insurance (UI) program created by the Social Security Act of 1935
- * It is a federal and state partnership
- * Multiple policy goals
 - * Temporary, partial wage replacement for workers
 - * Retain skilled workforce for employers
 - * Protect local economies

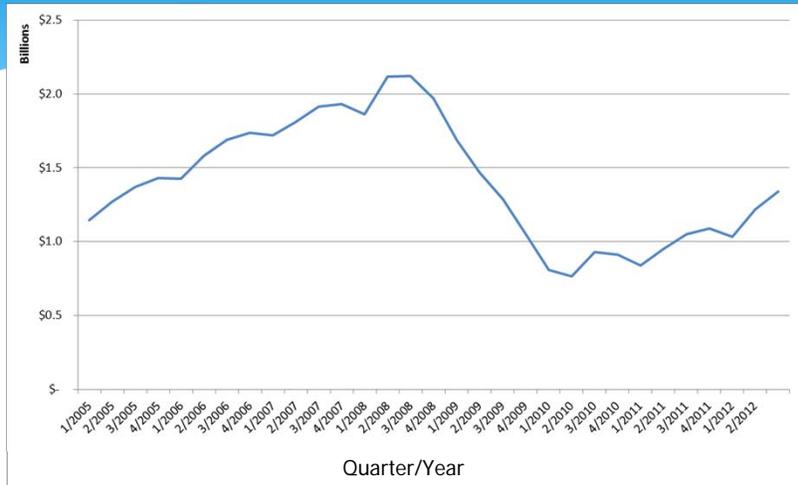


The Unemployment Insurance Program

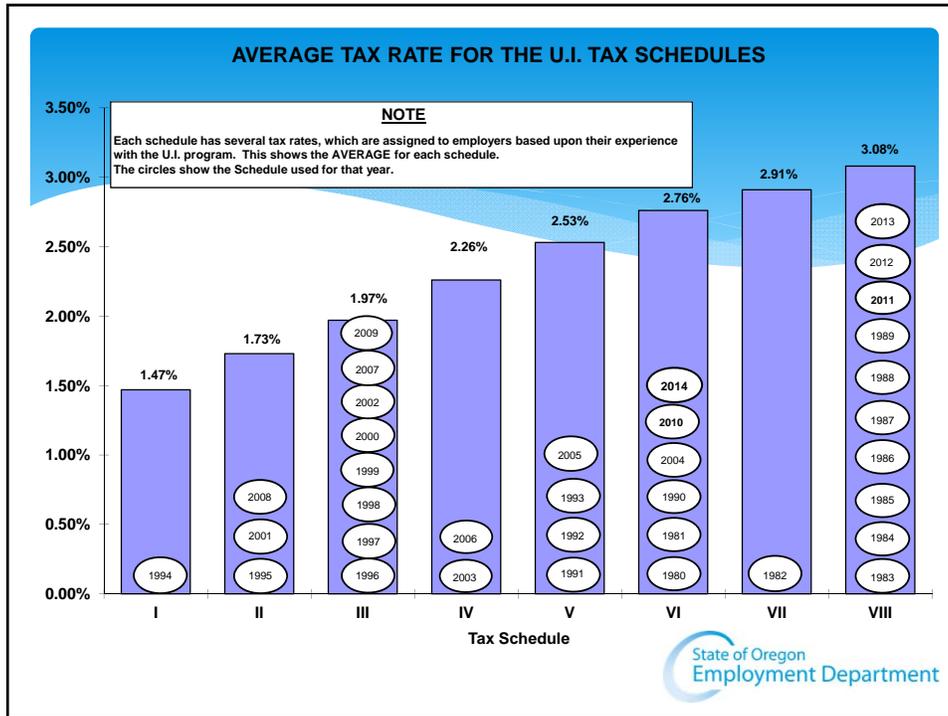


State of Oregon
Employment Department

Oregon UI Trust Fund Balance



State of Oregon
Employment Department



To Receive Benefits

Need sufficient recent earnings for a valid claim

- * Amount of benefits is based on past earnings – benefits range from \$126 to \$538 per week.

Must meet weekly eligibility requirements including being

- * Able to work, available to work and actively seeking work

Some things can disqualify people from benefits including

- * Being fired for engaging in misconduct
- * Quitting a job without having ‘good cause’
- * Not accepting a suitable job (unless you have good cause)

State of Oregon
Employment Department

The Benefits Process

- * Worker initiates a claim
- * Worker files for each week s/he wants benefits – generally up to 26 weeks of benefits are available
- * We investigate issues impacting whether people can receive benefits
- * Benefit Payment Control unit focuses on preventing, detecting and recouping overpayments
- * Specialized programs also exist, such as training, Self-Employment Assistance and Work Share programs



Many are still unemployed



- * First week of January 2014, about 72,000 UI claims and \$25 million in benefits.
- * Last week of January 2014, decreased to 59,000 claims and \$17 million in benefits



The End of Extensions

- * People can typically receive up to 26 weeks of UI benefits
- * Federal extensions allowed up to 99 total weeks of benefits per claim and were federally funded
- * Oregon had some state extension programs during the height of the recession
- * As of the last week of December 2013, there were no extensions in effect.
 - * About 17,500 people lost benefits that week; another 900 per week will lose them in 2014.



Federal and State UI Legislation

- * Possible UI extensions
- * Expansion of Treasury Offset Program
- * Employment Appeals Board decisions to be publicly accessible – HB 4010



Significant UI Issues

- * Reducing overpayments
- * Customer service levels
- * Connections to the Workforce system
- * Infrastructure modernization



Contact Information

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Oregon Employment Department

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✉: david.k.gerstenfeld@state.or.us



Information Item

HECC/OWIB Alignment

Background: At the OWIB meeting on January 3, 2014, the Oregon Community Colleges Association (OCCA) submitted a letter to the Governor as public testimony. The letter requested the Governor to:

1. Direct the HECC [Higher Education Coordinating Commission] to have a meaningful conversation about the middle 40 of the 40/40/20, the connection between education and workforce and how community colleges support workforce development.
2. To enhance this conversation, create a joint board structure between the Oregon Workforce Investment Board and the Higher Education Coordinating Commission tasked with creating a set of common goals with measurable outcomes centered on fulfilling the middle 40 of the 40/40/20. Such a coordinating body could also be tasked with recommending changes in state level structure, should any be needed, to further optimize delivery of workforce programs. We believe this conversation should include questions about the ideal location of not just Title 1B, but all workforce programs.
3. Create a more formalized relationship between workforce partners with clearer accountability and common goals and metrics. Such a structure should also take into account the consequences across the whole system and that recognizes the issues around higher education restructuring still in play.

The middle 40 refers to the 40% of Oregonian who will earn something more than a high school diploma but less than a four year degree. Traditionally, this has been an area of high interest for the OWIB because many of those seeking postsecondary degrees and certificates less than a four year diploma do so for work related reasons. Most of the workforce system's investments into training have been into the "middle 40."

A white paper regarding policy related to the middle 40 is attached for your background. It forms the foundation for a broader discussion about what counts for the middle A letter from the Governor asking Ken Madden and Tim Nesbitt, the HECC Chair, to form a joint task force is also attached. Ken and Tim met with the respective staffs of the boards and agency heads to develop a charter, scope of work and membership for the joint task force on February 5th.

During this agenda item, OWIB members will be briefed on the "middle 40" to create a common understanding of issues and opportunities. Members will also be briefed on the initial recommendations for the joint task force charter, timeline and membership.

Discussion Questions or Recommended Action: This is a discussion item. No action is recommended at this time. Staff asks board members to consider:

1. What questions do you have about the middle 40?
2. What role might you envision for OWIB related to the delivery of the middle 40?
3. What would you like to see the joint task force accomplish?
4. What are the outcomes you would expect for our state investment into the middle 40?



JOHN A. KITZHABER, MD
Governor

January 23, 2014

Tim Nesbitt, Chair
Higher Education Coordinating Commission
775 Court St. NE
Salem, OR 97301

Ken Madden, Chair
Oregon Workforce Investment Board
255 Capitol Street, NE Suite 126
Salem, OR 97301

Dear Tim and Ken,

Over the last several year, the state legislature and I have asked both the Oregon Workforce Investment Board (OWIB) and the Higher Education Coordinating Commissions (HECC) to assure that we have a highly skilled populace able to enter into good jobs, achieve their goals and progress along career paths. We often use 40-40-20 as shorthand to describe these goals. The achievement of these goals requires both a high level of educational achievement as well as a strong connection to the labor market and employment. Clearly there are a number of places where your missions and the systems and programs that deliver on those missions potentially overlap.

In order to assure the highest degree of alignment in our joint work, I have asked Agnes Balassa, my Policy Advisor, to work with the two of you, Ben Cannon, and the OWIB staff to establish a joint taskforce consisting of members of the HECC and the OWIB to:

- Identify the areas where there is overlap between the missions and goals of the two boards and recommend a long term mechanism for managing this "shared space."
- Clarify the roles and responsibilities of the two boards and of the education and workforce partners to achieve our middle 40 and workforce goals.
- Create a set of common goals with measurable outcomes centered on achieving these goals.
- Create a more formalized relationship between workforce and education partners with clear accountability for common goals and metrics.

The work of this joint task force will inform how we proceed with policy and budget development as we work to align our system reform efforts.

Agnes will work with you and the respective staffs of the two boards you chair to develop a formal charter, membership and timeline for this work.

Thank you both for your leadership and commitment.

Sincerely,

John A. Kitzhaber, M.D.
Governor

Cc: Agnes Balassa, Ben Cannon, Gerald Hamilton, Lisa Nisenfeld

254 STATE CAPITOL, SALEM OR 97301-4047 (503) 373-3111 FAX (503) 378-4863

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Oregon Education Investment Board

- invests to achieve 40-40-20 goals

Higher Education Coordinating Council -

provides state level policy and oversight for colleges and universities to support achievement of 40-40-20 goals

OWIB

invests to so that businesses find skilled workers and job seekers translate skill into good jobs

Outcomes:

- 40-40-20



Outcomes:

- employment, retention, wage gain

Outcomes

Shared space	Foundational Skills (ABE/GED/ESL/NCRC), CTE, Industry recognized certificates, customized training, Business Development Certified Work Ready Communities, sector strategies, Career Pathways, career counseling	
Agency	CCWD – manages funding, policy and “oversight” for colleges at state level	Workforce Entity (To be named) – manages funding, policy and oversight for workforce programs at state level
Local Governance	Community College Boards	Local Workforce Investment Boards
Local Delivery	Community college credit and non-credit education and training programs delivered to students and businesses. Student success services	Career advising, short term skill development, resources for re-training, case management, support services, and job placement for job seekers. Recruitment and assistance with training services to businesses
Who uses the service	Oregonians 18 (?) and older. Minorities and those with limited resources are more highly represented than in the general population	Unemployed, under-employed and at risk Oregonians 14 and older. Minorities and those with limited resources are more highly represented than in the general population

Refining 40-40-20 – suggestions for moving forward

Oregon's 40-40-20 goal, adopted into law in 2011,¹ has become shorthand for the efforts of the Legislature, Governor, the OEIB, and other state education boards, commissions, and agencies to significantly improve the education achievement levels and prosperity of Oregonians by 2025. While the concept may not be on the tips of the tongues of Oregonians generally, it has become a remarkably familiar one to most state policymakers and many education leaders. Still, two-and-a-half years have passed since its adoption, and it may be useful to reflect on and clarify its meaning and purpose. Particularly as the OEIB and the new Higher Education Coordinating Commission (HECC) begin to develop strategic plans for 2015-17 and beyond, they require a clearer sense of the ultimate outcome to which they are aspiring.

The Purpose and Vision

The 40-40-20 goal intends to provide a clear target – a “North Star” aligned with Oregonians’ economic, civic, and social aspirations -- against which to generally gauge the state’s educational progress. A major purpose of this document is to help ensure that the goal is clear enough to help shape policy decisions, as well as permit the measurement of our progress against it.

We believe that 40-40-20 is equally significant for the distinct point of view it expresses about the capacity of learners and the responsibility of education system to support them. Fundamentally, 40-40-20 says that *every Oregonian* is capable of earning at least a high school diploma -- and that the job of policymakers, educators, and community members is to adopt the policies and practices to ensure they do so. If taken seriously, and not just as political rhetoric, these are powerful statements that represent significant departures from the implicit assumptions of the past. They imply the need for equally significant departures in educational policy and practice.

A note of caution: as we improve the rigor and clarity of 40-40-20, we recognize a risk that policymakers, the press, and/or the public would attempt to convert the goal into something that would drive rigid and arbitrary funding and accountability measures. We note that 40-40-20 alone – even with refinements along the lines of what is proposed here – will remain a rough yardstick.

¹ As a result of SB 253 (2011), ORS 351.009 reads as follows: “The Legislative Assembly declares that the mission of all education beyond high school in Oregon includes achievement of the following by 2025:

- (1) Ensure that at least 40 percent of adult Oregonians have earned a bachelor’s degree or higher;
- (2) Ensure that at least 40 percent of adult Oregonians have earned an associate’s degree or post-secondary credential as their highest level of educational attainment;
- (3) Ensure that the remaining 20 percent or less of all adult Oregonians have earned a high school diploma, an extended or modified high school diploma or the equivalent of a high school diploma as their highest level of educational attainment.”

Why 40 and 40?

The ambitiousness of the “upper” and “middle” 40 reflect a balancing of at least four sets of considerations: (a) projections about actual labor market demands; (b) a theory about education’s role in catalyzing widespread economic transformation and uplift; (c) intrinsic as well as indirect benefits of advanced education; and (d) what may be realistic given the experience of other states and countries.

The first consideration is a demand-side perspective that takes into account projections the Oregon Employment Department makes about the educational qualifications that will be necessary for actual jobs likely to be available in Oregon, using employer-reported data. In its December 2011 report to the Legislature, the OEIB noted that Oregon’s economy is shifting, with “dwindling numbers of well-paid jobs that require only a high school diploma – the millwork or manufacturing jobs of the past,” and “new jobs in this information age that increasingly demand post-secondary education.” This economic and demographic transition – one that economists actually observe in real and expected job openings – helps to justify ambitious targets for increasing the level of post-secondary educational attainment.

Still, as some critics have noted, a demand-side perspective alone would probably not justify targets quite as lofty as 40-40. At least under current economic models, it appears unlikely that 80% of job openings in Oregon will require a post-secondary credential or degree by 2025. Settling on 40-40 signifies the view of Oregon leaders that the state’s goals for education should not merely attempt to reflect the labor market we expect to have under current trends and conditions. Rather, they should reflect the economy and conditions of life that we wish to help create. 40-40-20 borrows heavily from the premise that significantly increasing the education levels of Oregonians will help to fuel an economic transformation for the state. This “supply-side” understanding of 40-40-20 predicts that higher levels of educational attainment will lead to job growth and income increases that today’s employers simply cannot predict.

Similarly, the ambitious targets expressed by 40-40-20 reflect an appreciation for all of the intrinsic and indirect benefits of education beyond a high school diploma, including better health, longer lives, greater family stability, less need for social services, lower likelihood of involvement with the criminal justice system, greater likelihood of effectively competing for employment in an unpredictable economy, and increased civic participation.

Finally, 40-40 is roughly aligned with the achievement rates of the highest performing states in the US today, suggesting that while the goal is ambitious, it is also attainable by 2025.

Definitional Issues

Practically since its inception, 40-40-20 has raised a host of definitional issues/questions. In keeping with the spirit of 40-40-20 as a rough-hewn yardstick and not a laser-guided measuring tool, we intend for this document to provide more of a sense of direction than it does a dictionary of definitions.

Demography and Equity

In keeping with what we believe has been the Legislature's, the Governor's, and the OEIB's intent – but not something that has been written into law or policy – we propose that 40-40-20 should be understood as applying equally to all demographics in Oregon. We are particularly concerned to ensure that historically underserved racial/ethnic groups, as well as rural Oregonians, are equally represented in each of the upper-40s.

All adults vs. the pipeline

By the letter of the law, 40-40-20 applies to all adult Oregonians. As OEIB noted in its December, 2011 report, however: “While a rigid interpretation of the legislation would imply a massive effort in adult education, we do not believe it was the law’s intent. We would have to push even older adults, perhaps at the end of their working careers, into retraining, whether or not it benefited them or the state.” The OEIB also acknowledged that 40-40-20 should not apply strictly to the “pipeline” of young Oregonians who are scheduled to be in the high school graduating classes of 2025 and beyond; rather, “our efforts must address both current students who are moving along the education pathway and those who return to traditional and non-traditional pathways to complete or update their educations.”

We propose to understand 40-40-20 as a goal that applies to both, but with a few refinements and distinctions.

As a “pipeline” goal, we propose that 40-40-20 express our aspirations for students scheduled to be in the high school graduating class of 2025 (most of whom started kindergarten in Fall, 2012) and beyond. We propose that 40-40-20 express our aspiration that they complete high school or its equivalent, and that 80% of them earn a post-secondary credential or degree within a reasonable period of time of completing high school. Our goals for students scheduled to graduate from high school before 2025 should be based on a trajectory that will lead to 40-40-20 by 2025.

As a goal for the adult population, we propose that our focus should be adults between the ages of 25 and 60 who are residents of Oregon, regardless of where they received any formal education. We propose that by 2025, the level of post-secondary credentials and degrees obtained by this population should roughly reflect actual and projected labor market demands.

It should be noted that while we believe that the pipeline goal should continue to borrow heavily from the supply-side and intrinsic rationales for 40-40-20, our goals for educational attainment for working-age adults should be continually refined in light of actual and reasonably-projected job market opportunities. As a result, our post-secondary goals for this population are likely to evolve over time (in contrast to our “fixed” pipeline goal of 40-40-20).

The Middle 40

It is well-understood that while two-year associates’ degrees are an important part of the middle 40, they do not represent its totality. But there is much less consensus about what else should “count.” While we are not prepared today to establish a definitive list of every credential that should be understood as part of the middle 40 – much less keep precise track of how many Oregonians have

obtained them – we can at least provide some guidance about the types of credentials that we believe are worthy of attention and support from Oregon policymakers and educators. Generally speaking, we believe that the Middle 40 should be construed broadly, and should include many credentials that are earned by completing courses at a conventional institution of higher education, as well as some credentials that may be achieved through workplace or other non-conventional education experiences. We believe that judgments about what count towards the middle 40 should be strongly informed by what employers value, and that as a result the list will require continual updating.

At present, we are prepared to recommend that the following certificates/degrees be cited as illustrative examples of what is intended with the middle 40:

- Two-year associates' degrees (AS, AGS, AAS, AAOT, etc.)
- A variety of certificates and certifications which meet certain criteria that may include (but not be limited to) third-party validation and/or the completion of an appropriate end-of-program assessment. These may include:
 - Career Pathways Certificates: typically less than six months in length and designed to break longer-term course work into a series of certificates that can be stacked to advance the individual along a career pathways. These are issued by the colleges, and based on employer input and labor market data.
 - One year certificates or diplomas issued by colleges
 - Competency-based AA degrees and certifications achieved in less than two years through approaches like credit for prior learning.
 - Registered apprenticeships whether delivered by organized labor or colleges
 - Industry-based nationally-recognized certificates and certifications. Examples include: Certifications issued by the National Association of Manufacturers; the National Institute for Metalworking Skills; the American Welding Society; CICSO certifications; Professional in Human Resources certifications issued by the Society for Human Resources Management; certificates issued by the National Automotive Technicians Education Foundation; Microsoft Certification, etc.
 - State licensure for medical professionals, etc.

Recommendations

1. After a period of consultation with stakeholders, legislators, and the public, the OEIB should provide guidance that helps to clarify 40-40-20. In particular, it should focus on clarifying (a) its application to the adult working population, and (b) what constitutes the Middle 40.
2. For every credential that is understood as contributing to 40-40-20, staff should establish what attainment data is available to the state of Oregon and what is not in order to support the development of the longitudinal data system and achievement compacts.
3. The OEIB should instruct the HECC to develop recommendations for adult population educational attainment goals linked to workforce needs and opportunities. The HECC's recommendations should be developed in consultation with OWIB, CCWD, and the Department of Employment.

Information Item

Governor's Office Updates: Legislative Updates

Background: Senate Bill 1566 results from the redesign work undertaken by the state agencies on behalf of the OWIB and the Governor. Governor Kitzhaber chose to use one of the five bills allotted to him in the 2014 session to support changes in the workforce system.

SB 1566 does several things:

1. It clarifies that OWIB is the advisory board for the Oregon Employment Department as well as the Title 1B Programs at CCWD.
2. It provides greater workforce system accountability by providing OWIB with the authority to approve local strategic workforce plans. This creates a vehicle for OWIB to hold both Local Workforce Investment Boards and State programs accountable for implementing the local strategic plan.
3. It cleans up years of policy language describing the role of the workforce systems and updates some definitions
4. It eliminates Regional Workforce Boards from statute, reducing confusion at the local level and providing greater flexibility for local areas to organize themselves based on current labor markets.

SB 1566 lays the foundation for a more in-depth workforce discussion in 2015.

The bill was assigned to the Senate Higher Education and Workforce Development Committee, which is chaired by Senator Mark Hass. Discussions with Local Workforce Investment Boards and Community Colleges resulted in a request for amendments. Most of the amendments related to technical issues and therefore strengthened the bill. A hearing is scheduled Tuesday, February 11 in the afternoon.

Discussion Questions or Recommended Action: This is an information item, so there is no request for action. Members are encouraged to ask any questions they have regarding the bill during the discussion of this time.

OWIB staff recommends discussing:

- How SB 1566 strengthens OWIB
- What was left out of SB 1566 and why
- How SB 1566 affects a potential discussion regarding Local Work Investment Board Boundaries

Senate Bill 1566

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor John A. Kitzhaber, M.D.)

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**.

Declares state public policy to promote coordinated provision of education, employment and job training. Assigns new duties to State Workforce Investment Board. Abolishes regional workforce committees.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the State Workforce Investment Board; creating new provisions; amending ORS 657.730,
3 660.300, 660.312, 660.324 and 660.327; repealing ORS 660.303, 660.306, 660.309 and 660.315; and
4 declaring an emergency.

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

6 **SECTION 1. The Legislative Assembly finds that a robust and effective workforce system**
7 **is necessary to produce a highly skilled workforce, to advance more Oregonians into family**
8 **wage jobs and to help Oregon businesses compete in a global economy. Therefore, the Leg-**
9 **islative Assembly declares that it is the policy of this state to promote the coordinated pro-**
10 **vision of education, employment and job training to:**

11 (1) **Develop a workforce system that is flexible, accountable, outcome-focused and data-**
12 **driven;**

13 (2) **Meet the needs of employers for skilled, committed and innovative employees;**

14 (3) **Deliver an effective, efficient, highly integrated and responsive workforce system;**

15 (4) **Offer services, including training, skills development, support services, career advice**
16 **and job matching, that are highly attuned to the needs of employers and the economy;**

17 (5) **Ensure equity in program access, services and outcomes for populations that have**
18 **historically experienced high levels of unemployment, underemployment and poverty;**

19 (6) **Provide greater economic security and grow a more inclusive and dynamic economy;**

20 (7) **Support the economic health of local communities throughout this state with**
21 **workforce solutions that meet community needs and advance the prosperity of Oregonians**
22 **and Oregon-based businesses;**

23 (8) **Build on the WorkSource Oregon network of state workforce agencies, local**
24 **workforce investment boards and other public and private partners to deliver a comprehen-**
25 **sive, robust and outcome-oriented array of services to unemployed and underemployed indi-**
26 **viduals and to businesses seeking employees; and**

27 (9) **Support the achievement of Oregon's 40-40-20 goal in conjunction with the education**
28 **system and private industry to ensure that more Oregonians who are not currently enrolled**
29 **in education and workforce training may access opportunities to gain skills and earn cre-**

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 **dentials to support their employment goals.**

2 **SECTION 2.** ORS 660.300 is amended to read:

3 660.300. As used in ORS 660.300 to 660.364:

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

6 (2) “Department” means the Department of Community Colleges and Workforce Development.

7 (3) “Federal Act” or “federal Workforce Investment Act” means the federal Workforce Invest-
8 ment Act of 1998 (enacted as P.L. 105-220 and codified as 29 U.S.C. 2801 et seq.).

9 (4) “Local workforce investment area” means the City of Portland or a county when the city
10 or county has been designated as a local workforce investment area under ORS 660.324. “Local
11 workforce investment area” may include two or more counties that have joined together to form a
12 local workforce investment area and that have been designated as a local workforce investment area
13 under ORS 660.324.

14 (5) “Local workforce investment board” means a board established pursuant to section 2832 of
15 the federal Workforce Investment Act of 1998.

16 (6) “Participant” means a person receiving services under Title I-B of the federal Workforce
17 Investment Act of 1998 (29 U.S.C. 2801 et seq.).

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

21 **(8) “State workforce agencies” means state agencies that administer workforce pro-
22 grams.**

23 [(8)] **(9) “Title I-B” means the adult, dislocated worker and youth programs delivered under the
24 federal Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.).**

25 **(10) “Workforce development” means services designed to help individuals attain em-
26 ployment and progress along career pathways and to help businesses better achieve business
27 goals by more easily finding skilled employees. “Workforce development” includes:**

28 **(a) Education, training and apprenticeship services;**

29 **(b) Labor market analysis;**

30 **(c) Employment and reemployment services;**

31 **(d) Employee recruitment and retention services; and**

32 **(e) Convening, coordinating, oversight and evaluation services for business and state
33 workforce agencies.**

34 **(11) “Workforce programs” means programs that have a primary mission of helping in-
35 dividuals become employed, retain employment, increase wages and progress along career
36 pathways and that are responsible for outcomes related to the primary mission.**

37 **SECTION 3.** ORS 660.312, as operative until July 1, 2014, is amended to read:

38 660.312. (1) The Governor shall be responsible for a coordinated and comprehensive response to
39 education and workforce issues. The Governor shall appoint an Education and Workforce Policy
40 Advisor, who serves at the pleasure of the Governor. The advisor shall, with the advice of such
41 advisory committees as may be appointed or assigned, advise the Governor on policy, planning and
42 coordination for education and workforce development in Oregon.

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

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

45 (b) Providing general direction and serving as a liaison between state and local efforts in edu-

1 cation, training and workforce development;

2 (c) Ensuring, through collaboration with the leadership of local workforce investment boards,
 3 [and regional workforce committees,] the alignment of statewide, local and regional strategic plans,
 4 and the periodic reporting of performance in the implementation of such plans; and

5 (d) Consulting with local workforce investment boards [and regional workforce committees] on the
 6 development and implementation of a workforce performance measurement system.

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

9 (a) The Department of Education;

10 (b) The Oregon University System;

11 (c) The Oregon Business Development Department;

12 (d) The Department of Community Colleges and Workforce Development;

13 (e) The Employment Department;

14 (f) The Department of Human Services;

15 (g) The Bureau of Labor and Industries;

16 (h) The Department of Corrections; **and**

17 (i) The Oregon Student Access Commission[; and].

18 [(j) *The Teacher Standards and Practices Commission.*]

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

21 (a) Businesses and industry organizations;

22 (b) Labor and labor organizations;

23 (c) Local education providers;

24 (d) Local government;

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

26 (f) Community-based organizations;

27 (g) Public-private partnership organizations;

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

29 (i) [*Regional workforce committees,*] **The State Workforce Investment Board**, local workforce
 30 investment boards and regional investment boards.

31 (5) The advisor shall meet, on a regularly scheduled basis, with the local workforce investment
 32 boards[, *regional workforce committees*] and such others as necessary to ensure that local interests
 33 are represented. The advisor shall seek input, advice and feedback on policy issues affecting state,
 34 regional and local education and workforce development from interested parties and [*other commit-*
 35 *tees formed under ORS 660.306,*] 660.312 [and 660.315] **any advisory committees appointed or as-**
 36 **signed under this section.**

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

39 **SECTION 4.** ORS 660.312 is amended to read:

40 660.312. (1) The Governor shall be responsible for a coordinated and comprehensive response to
 41 education and workforce issues. The Governor shall appoint an Education and Workforce Policy
 42 Advisor, who serves at the pleasure of the Governor. The advisor shall, with the advice of such
 43 advisory committees as may be appointed or assigned, advise the Governor on policy, planning and
 44 coordination for education and workforce development in Oregon.

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

- 1 (a) Guiding the development of state-level policy related to education and workforce issues;
- 2 (b) Providing general direction and serving as a liaison between state and local efforts in edu-
- 3 cation, training and workforce development;
- 4 (c) Ensuring, through collaboration with the leadership of local workforce investment boards,
- 5 [*and regional workforce committees,*] the alignment of statewide, local and regional strategic plans,
- 6 and the periodic reporting of performance in the implementation of such plans; and
- 7 (d) Consulting with local workforce investment boards [*and regional workforce committees*] on the
- 8 development and implementation of a workforce performance measurement system.
- 9 (3) In the performance of duties, the advisor shall collectively involve state agencies, including
- 10 but not limited to:
 - 11 (a) The Department of Education;
 - 12 (b) The Oregon University System;
 - 13 (c) The Oregon Business Development Department;
 - 14 (d) The Department of Community Colleges and Workforce Development;
 - 15 (e) The Employment Department;
 - 16 (f) The Department of Human Services;
 - 17 (g) The Bureau of Labor and Industries;
 - 18 (h) The Department of Corrections; **and**
 - 19 [*i The Teacher Standards and Practices Commission; and*]
 - 20 [*j*] (i) The public universities with governing boards listed in ORS 352.054.
- 21 (4) The advisor shall seek input from key interested parties to help guide policy development,
- 22 including but not limited to representatives of:
 - 23 (a) Businesses and industry organizations;
 - 24 (b) Labor and labor organizations;
 - 25 (c) Local education providers;
 - 26 (d) Local government;
 - 27 (e) Student, teacher, parent and faculty organizations;
 - 28 (f) Community-based organizations;
 - 29 (g) Public-private partnership organizations;
 - 30 (h) Independent nonprofit and proprietary post-secondary colleges and schools; and
 - 31 (i) [*Regional workforce committees,*] **The State Workforce Investment Board**, local workforce
 - 32 investment boards and regional investment boards.
- 33 (5) The advisor shall meet, on a regularly scheduled basis, with the local workforce investment
- 34 boards[, *regional workforce committees*] and such others as necessary to ensure that local interests
- 35 are represented. The advisor shall seek input, advice and feedback on policy issues affecting state,
- 36 regional and local education and workforce development from interested parties and [*other commit-*
- 37 *tees formed under ORS 660.306,*] 660.312 [*and 660.315*] **any advisory committees appointed or as-**
- 38 **signed under this section.**
- 39 (6) Pursuant to ORS chapter 183, the advisor may adopt rules necessary to carry out the duties
- 40 of the advisor.

41 **SECTION 5.** ORS 660.324 is amended to read:

42 660.324. (1) The State Workforce Investment Board shall develop and submit to the Governor a

43 single, unified state plan that outlines a strategy, with quantitative goals, for the statewide

44 workforce investment system for the State of Oregon in accordance with section 2821 of the federal

45 Workforce Investment Act of 1998. Upon the Governor’s approval of the state plan, the Governor

1 shall cause the State Unified Workforce Plan to be delivered to the Legislative Assembly.

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

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

7 (a) Developing Oregon's workforce investment system;

8 (b) Ensuring timely consultation and collaboration with chief elected officials, local workforce
9 investment boards and other workforce stakeholders, including but not limited to business and labor
10 organizations **and organizations working with persons with disabilities, persons living at or**
11 **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 areas for adult employment and training activities and for youth ac-
16 tivities that are developed by the local workforce investment boards;

17 **(e) Working with local workforce investment boards to increase efficiencies and eliminate**
18 **duplication of workforce programs and services offered;**

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

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

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

28 [(h)] **(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 [(i)] **(j)** Preparing an annual report and submitting it to the United States Department of Edu-
31 cation, the United States Department of Health and Human Services and the United States Depart-
32 ment of Labor.

33 (4) The **State Workforce Investment** Board, in partnership with the Governor, shall establish
34 criteria for use by chief elected officials in appointing members to local workforce investment boards
35 in accordance with the requirements of section 2832 of the federal Workforce Investment Act of
36 1998. The **State Workforce Investment** Board shall establish the following requirements:

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

41 (b) When appropriate and upon a request from the chief elected official of a county or the City
42 of Portland, the State Workforce Investment Board shall consider the county or the City of Portland
43 to be a candidate for designation as a local workforce investment area. The board shall consult with
44 the county or the City of Portland before designating it as a local workforce investment area. After
45 considering the criteria in section 2831 of the federal Act for designating local workforce investment

1 areas, chief elected officials may submit a request to the board to combine their units of government
 2 into a local workforce investment area. The board shall make recommendations to the Governor
 3 about the designation of local workforce investment areas. Only the Governor may designate local
 4 workforce investment areas. The Governor must show just cause for not designating a requested
 5 local workforce investment area. A county or the City of Portland may submit an appeal to the
 6 board, as provided in section 2831 of the federal Act, if the Governor does not grant the county's
 7 or the city's request to designate a local workforce investment area.

8 (5) The **State Workforce Investment** Board shall provide guidance and direction to local
 9 workforce investment boards in the development of local workforce plans. The State Workforce In-
 10 vestment Board shall adopt policies that:

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

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

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

18 (B) To certify local one-stop operators.

19 (6) **The State Workforce Investment Board shall:**

20 (a) **Function as the primary advisory committee to the Employment Department in con-**
 21 **junction with the Employment Department Advisory Council established under ORS 657.695;**

22 (b) **Collaborate with other advisory bodies also tasked with workforce development, in-**
 23 **cluding but not limited to the Oregon State Rehabilitation Council, the Commission for the**
 24 **Blind, the State Apprenticeship and Training Council and the Higher Education Coordinating**
 25 **Commission;**

26 (c) **Work with the Oregon Education Investment Board and the Oregon Business Devel-**
 27 **opment Commission to identify areas of common interest to efficiently align resources, re-**
 28 **commend common strategies and provide accountability for reaching statewide goals; and**

29 (d) **Hold state workforce agencies and local workforce investment boards accountable for**
 30 **meeting performance goals and system outcomes.**

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

33 **SECTION 6.** ORS 660.327 is amended to read:

34 660.327. [(1)] In accordance with section 2832 of the federal Act, each local workforce invest-
 35 ment board shall:

36 [(a)] (1) Consistent with section 2833 of the federal Act, in partnership with the chief elected
 37 official for the local area involved, develop and submit a local plan to the Governor.

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

41 [(c)] (3) Consistent with section 2843 of the federal Act, identify eligible providers of youth ac-
 42 tivities in the local area and award grants or contracts on a competitive basis to those providers,
 43 based on recommendations of a youth council.

44 [(d)] (4) Consistent with section 2842 of the federal Act, identify eligible providers of training
 45 services described in section 2864(d)(4) of the federal Act.

1 [(e)] (5) Subject to the approval of the chief elected official, develop a budget for the purpose
 2 of carrying out the duties of the local workforce investment board under section 2832 of the federal
 3 Act.

4 [(f)] (6) In partnership with the chief elected official, provide oversight of local programs of
 5 youth activities authorized under section 2854 of the federal Act, local employment and training
 6 activities authorized under section 2864 of the federal Act and the one-stop delivery system in the
 7 local area.

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

10 [(h)] (8) Coordinate the workforce investment activities authorized under the federal Act and
 11 carried out in the local area with economic development strategies and develop other employer
 12 linkages with such activities.

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

17 [(2) *In order to maintain the statewide workforce investment system that consists of regional*
 18 *workforce committees and to meet the requirements of the federal Act:]*

19 [(a) *A local workforce investment board representing a local workforce investment area according*
 20 *to the Governor's designation pursuant to section 2831 of the federal Act meets the requirements of a*
 21 *regional workforce committee under ORS 660.315.]*

22 [(b) *A strategic plan submitted by a local workforce investment board pursuant to section 2833 of*
 23 *the federal Act meets the strategic plan requirement for the workforce region in ORS 660.315.]*

24 **SECTION 7.** ORS 657.730 is amended to read:

25 657.730. (1) As used in this section, unless the context requires otherwise:

26 (a) "Labor market analysis" means the measurement and evaluation of economic forces as they
 27 relate to the employment process in the local labor market area. Variables affecting labor market
 28 relationships include, but are not limited to, such factors as labor force changes and characteristics,
 29 population changes and characteristics, occupational and industrial structure and development,
 30 technological developments, shifts in consumer demand, volume and extent of unionization and trade
 31 disputes, recruitment practices, wage levels, conditions of employment and training opportunities.

32 (b) "Labor market area" means an economically integrated geographic area within which indi-
 33 viduals can reside and find employment within a reasonable distance or can readily change em-
 34 ployment without changing their place of residence. Such areas shall be identified in accordance
 35 with criteria used by the Bureau of Labor Statistics of the United States Department of Labor in
 36 defining such areas or similar criteria established by the Director of the Employment Department.
 37 The area generally takes the name of its community. The boundaries depend primarily on economic
 38 and geographic factors. The State of Oregon is divided into labor market areas, which usually in-
 39 clude a county or group of contiguous counties.

40 (c) "Labor market information" means the body of information generated from measurement and
 41 evaluation of the socioeconomic factors and variables influencing the employment process in the
 42 state and specific labor market areas. These socioeconomic factors and variables affect labor de-
 43 mand and supply relationships and include:

44 (A) Labor force information, which includes but is not limited to employment, unemployment,
 45 labor force participation, labor turnover and mobility, average hours and earnings and changes and

1 characteristics of the population and labor force within specific labor market areas and the state;

2 (B) Occupational information, which includes but is not limited to occupational supply and de-
3 mand estimates and projections, characteristics of occupations, wage levels, job duties, training and
4 education requirements, conditions of employment, unionization, retirement practices and training
5 opportunities;

6 (C) Economic information, which includes but is not limited to number of business starts and
7 stops by industry and labor market area, information on employment growth and decline by industry
8 and labor market area, employer establishment data and number of union disputes and strikes by
9 industry and labor market area; and

10 (D) Program information, which includes but is not limited to program participant or student
11 information gathered in cooperation with other state and local agencies along with related labor
12 market information to evaluate the effectiveness, efficiency and impact of state and local employ-
13 ment, training, education and job creation efforts in support of planning, management, implementa-
14 tion and evaluation.

15 (2) The Director of the Employment Department shall have the following duties:

16 (a) Oversight, operation and management of a statewide comprehensive labor market and occu-
17 pational supply and demand information system, including development of a five-year employment
18 forecast for state and labor market areas.

19 (b) Preparation of local labor market information packages for the state's [*regional workforce*
20 *committees*] **workforce system**, including special studies and job impact analyses in support of state
21 and local employment, training, education and job creation programs, especially activities that pre-
22 vent job loss, reduce unemployment and create jobs.

23 (c) Coordination with other appropriate **public** agencies to improve employment estimates by
24 enhancing data on corporate officers, improving business establishment listings, expanding samples
25 for employment estimates and developing business entry or exit analysis relevant to the generation
26 of occupational and economic forecasts.

27 (d) Production of long-term and occupational employment forecasts in cooperation with other
28 appropriate agencies.

29 (e) Coordination with [*other*] state **workforce** agencies **as defined in ORS 660.300** to study ways
30 to standardize federal and state multiagency administrative records, such as unemployment insur-
31 ance information and other information to produce employment, training, education and economic
32 analysis needed to improve labor market information products and services.

33 (f) Production of labor market information and economic analysis needed to facilitate the effi-
34 cient and effective matching of the supply and demand of labor critical to an effective labor ex-
35 change in Oregon. Information collected will be coordinated with other public agencies through
36 cooperative data collection efforts for statistical analysis, research or studies including, but not
37 limited to, agricultural labor supply and demand, high performance organizations, targeted industries
38 programs, and industrial improvement and expansion.

39 (g) Administration of other appropriate labor market information activities.

40 (3) To implement this section, the director shall have authority to:

41 (a) Establish rules and procedures to recover reasonable costs incurred in producing and pro-
42 viding:

43 (A) Labor market information products developed by the Employment Department in the ordi-
44 nary course of business when the request results in costs over and above the ordinary costs of
45 production including, but not limited to, special publication runs, photocopying or supplying the

1 copy in some other medium; and

2 (B) Special labor market information products in response to individual requests that incur costs
3 beyond the ordinary costs of doing business including, but not limited to, computer time, staff costs,
4 preparation and distribution of surveys, electronic scanning, and special data collection, formatting
5 and analysis. The director may enter into agreements with other public agencies to provide special
6 labor market information products in a quid pro quo arrangement.

7 (b) Receive federal set aside funds from federal programs that are authorized to fund state and
8 local labor market information and are required to use such information in support of their pro-
9 grams.

10 (c) Enter into agreements for statistical analysis, research or evaluation studies of privately and
11 publicly funded employment, training, education and economic development programs.

12 **SECTION 8. Section 1 of this 2014 Act is added to and made a part of ORS 660.300 to**
13 **660.364.**

14 **SECTION 9. ORS 660.303, 660.306, 660.309 and 660.315 are repealed.**

15 **SECTION 10. This 2014 Act being necessary for the immediate preservation of the public**
16 **peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect**
17 **on its passage.**

18

Proposed Amendments to SB 1566

Page 1, Section I, line 10 add “economic development” after “employment”

Page 1, Section 1 (4) lines 15 & 16 remove “including training, skills development, support services, career advice and job matching,”

(4) Offer services, [including training, skills development, support services, career advice and job matching,] that are highly attuned to the needs of employers and the economy;

Page 1 Section 1 (8) line 23 remove the word “state”

Page 1 Section 1 (8) line 24 add “secondary and post-secondary institutions

Page 1 section (9) lines 28 & 29 remove “who are not currently enrolled in education and workforce training”

system and private industry to ensure that more Oregonians ~~who are not currently enrolled in education and workforce training~~ may access opportunities to gain skills and earn credentials-

Section 2 add definitions for State Strategic Workforce Plan and Local Strategic Workforce Plan

State Strategic Workforce Plan – The State Strategic Workforce Plan outlines a strategy, with quantitative goals, for the statewide workforce investment system for the State of Oregon in accordance with section 2821 of the federal Workforce Investment Act of 1998. The State Strategic Workforce Plan serves as the Unified State Workforce Plan and conveys expectations for performance and priorities for service deliver to the Local Workforce Investment Boards and state agencies.

Local Workforce Strategic Plan – the Local Workforce plan is developed by the Local Workforce Investment Board in partnership with the mandated and other workforce partners at the local level. The Local Workforce Strategic Plan identifies the outcomes and strategies which will be implemented in a Local Workforce Investment Area. All parties to the plan are held accountable for the implementation of the plan, once it is approved by OWIB.

Page 3 section 3 (1)(c) line 3 remove “and regional”

[and regional workforce committees,] the alignment of statewide, local ~~and regional~~ strategic plans

Page 3 Section 3 (4)(i) line 30: removed “regional investment boards”

investment boards ~~and regional investment boards.~~

Page 4 section 4(2)(c) line 5 removed “and regional strategic”

[and regional workforce committees,] the alignment of statewide, local ~~and regional~~ strategic plans,

Page 4 section 4(2)(i) line 32: remove regional investment boards

investment boards ~~and regional investment boards~~

Page 4 section 4 (3)(b) replace Oregon University System with Higher Education Coordinating Council

(b) The Oregon University System;

Page 4 section 4 (4)(c) line 25 add “community colleges, universities and governing boards”

(c) Local education providers **community colleges, universities and governing boards**

Page 5 section 5(2)(e) strike "eliminate duplication of workforce programs and services" and replace with "align workforce programs and services with local needs"

(e) Working with local workforce investment boards to increase efficiencies and ~~eliminate duplication of~~ align workforce programs and services offered with local needs;

Page 7 Section 7 add subsection 4 to state: "Local Workforce Investment Boards will use labor market information for the purpose of better aligning economic development, education and training, and workforce development investments and services for job seekers and businesses to efficiently address local labor market needs and statewide priorities.

Add a revision to sections 660.321 State Workforce Board Section 2 “membership”

- **The Governor shall appoint a representative of a Local Workforce Investment Board to serve on the Oregon Workforce Investment Board.**

2014 Legislative Session

Legislative Days
Session Deadlines

Holidays
Legislative Session
Key Election Dates

JANUARY							FEBRUARY							MARCH							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
			1 New Year's Day	2	3	4							1								1
5	6	7	8	9	10	11	2	3 Session Convenes	4	5	6	7 1st Chamber deadline to post work sessions	8	2	3	4	5	6	7	8	
12	13 Return Deadline	14	15 Leg Days	16 Leg Days	17 Leg Days	18	9	10	11	12 Revenue Forecast	13 Last day to hold work sessions on 1st Chamber measures	14	15	9 Constitutional Sine Die	10	11 Filing Day	12	13	14	15	
19	20 MLK Jr. Day	21 Drop Deadline	22	23	24 Advisory Referrals	25	16	17 Presidents Day	18	19	20 2nd chamber deadline to post work sessions	21	22	16	17	18	19	20	21	22	
26	27	28	29	30 Post advisory agendas (House)	31		23	24	25 Last day to hold work sessions on 2nd Chamber measures	26	27	28		23/30	24/31	25	26	27	28	29	

Floor Sessions will be held in each chamber in the late morning Monday through Friday. **Weekend Floor Sessions may also be held.** Members should be flexible to attend additional Floor Sessions and/or additional committee meetings outside of regularly-scheduled times, including evenings, *as necessary*.

The following committees are exempt from the Session Deadlines: House Rules, Senate Rules, Senate Finance & Revenue, House Revenue, and joint committees including Ways & Means.

Information Item

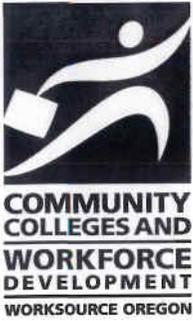
Governor's Office Updates: Local Workforce Investment Area Designation Changes

Background: The Governor is interested in beginning a conversation regarding the possible re-designating of Local Workforce Investment Areas (LWIAs) to better align with Regional Solutions Teams boundaries, labor markets and labor sheds and to assure areas are locally manageable in size and contiguous. The Governor is not necessarily interested in a reduction of areas, but in the alignment of counties that makes best sense to deliver quality workforce services to Oregonians and Oregon businesses.

Currently, there are seven LWIAs. One of the LWIAs is The Oregon Consortium/Oregon Workforce Alliance (TOC/OWA). This area is non-contiguous and serves 24 rural counties in the state (see attached map). All of Oregon's current LWIAs were 'grandfathered' in as part of previous federal legislation.

The federal Workforce Investment Act outlines how and when LWIAs can be designated and re-designated (see attached memo from CCWD to Governor). The Governor will be inviting a conversation about potential area re-designation soon and this is a preview for the board to learn about the issue as well as pose questions.

The role of the OWIB in redistricting includes reviewing a forwarded request from the Governor and determining whether there is compelling evidence that a re-designation would improve a variety of factors. The OWIB also provides opportunities for public comment on the issue and modifies the State Strategic Plan accordingly.



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January 29, 2014

To: The Honorable John A. Kitzhaber, Governor
Agnes Balassa, Workforce Policy Advisor, Oregon

From: Krissa Caldwell, Deputy Commissioner, CCWD

Re: Local Workforce Investment Area Designation Changes

In response to the Governor's request for information regarding the federal and state requirements and procedures involved with designating or redesignating Local Workforce Investment Areas (LWIAs), the Department of Community Colleges and Workforce Development has prepared the attached document.

State and federal guidance describe several conditions under which LWIAs may be (re)designated; this letter specifically addresses the process of voluntary (re)designation. In Oregon, the state workforce investment board is known as the Oregon Workforce Investment Board (OWIB).

In summary:

- The Chief Elected Official(s) (CEOs) of any local area, the state workforce investment board, or the governor may propose a local area redesignation by following the attached process. Proposals may be initiated at any time, but specific timelines may affect the request and redesignation process.
- Only the Governor may (re)designate local workforce investment areas.
- Voluntary redesignation of a workforce investment area is expected to be a collaborative process between the state workforce investment board, the Governor, and local CEOs.

The LWIA designation process must include the following steps:

- A proposal/request form submitted to the Governor's Workforce Policy Advisor;
- Consultation with the state workforce investment board and chief elected officials (CEOs);
- A public comment period, including consideration of comments received

If approved by the Governor, a change in LWIA designation must:

- Be included in the State Strategic Plan (or submitted as a Plan Modification)
- Be submitted to the US Department of Labor (DOL)/Employment and Training Administration (ETA)



References:

Federal requirements and guidance for the designation and redesignation of LWIAs requirements may be found primarily in:

- The Workforce Investment Act, Section 116
- 20 CFR, Part 661.250 through 661.280
- Training and Employment Guidance Letter (TEGL) 37-10, *Workforce Investment Act (WIA) and Appropriations Act Provisions on the Designation of Local Workforce Investment Areas*

Oregon's state-level guidance may be found at:

- ORS 660.324, *Duties of state board; state plan for workforce investment system*
- OAR 151-010-0040, *Designation of Workforce Investment Areas (Designation/ Redesignation)*
- OWIB Policy, *Workforce Investment Area Designation (Amended: March 26, 2004)*

A more thorough description of the process and requirements for voluntary (re)designation is included in Attachment A.

If/as a proposal to any of Oregon's LWIAs moves forward, CCWD will provide additional information and support, as requested by the Governor, the OWIB, or other stakeholders.

Attachment A

Local Workforce Investment Area Designation

Brief History

The Workforce Investment Act (WIA) includes the requirement that the Governor must designate local workforce investment areas in order for the State to receive funding under Title I of WIA.

Each time Oregon submits its State Plan to the Department of Labor/Employment Training Administration (DOL/ETA), it includes a section identifying the local workforce investment areas designated in the state, and the process used for designating local areas.

According to Oregon's State Plan, local workforce investment areas (LWIAs) were initially designated in accordance with WIA Section 116(a)(4), *Designation on Recommendation of State Board*. In brief:

- Local Elected Officials brought designation requests before the State Workforce Investment Board
- The State Workforce Investment Board recommended the designation of areas to the Governor
- The Governor approved the State Workforce Investment Board's recommendations

Only one redesignation has taken place in the intervening time. On July 1, 2004, at the request of local elected officials, Tillamook County petitioned to be removed from the LWIA serving the Portland metropolitan area and reinstated with The Oregon Consortium/Oregon Workforce Alliance area, where it had been prior to the implementation of the WIA.

Any changes to LWIA designations need to be submitted to DOL/ETA in the State Plan, or as a Plan Modification, according to the guidelines and processes listed below. The (re)designation process can be initiated by any of several entities, for a variety of reasons/purposes. The following summary focuses on (re)designation as a *voluntary* action. [Note: Involuntary designation may result from instances of fraud, abuse, failure to carry out local board functions, or failure to meet performance measures for two consecutive program years. None of these conditions currently exists in Oregon, and the State is not in a position to consider involuntary redesignation of its LWIAs at this time.]

What Happens, and How

- A local workforce investment area, specifically a local chief elected official(s) can voluntarily agree to redesignation.
- The local area, the state workforce investment board (OWIB), or the governor may propose a local area redesignation.
 - A proposal/redesignation request is initiated by filing an approved form with the Governor's Workforce Policy Advisor.
- The Governor will review the request to ensure it meets the following criteria:
 - Is consistent with local labor markets and the service areas of local educational and other workforce partners; and
 - Reflects regional and labor market economies of scale.
- If the request meets the above criteria, the Governor will forward the request to the OWIB to consider:
 - Geographic areas served by local education agencies and intermediate educational agencies.
 - Geographic areas served by post-secondary educational institutions and area vocational education schools.
 - The extent to which local areas are consistent with labor market areas.

- The distance that individuals will need to travel to receive services provided in such local areas.
- The resources of such local areas that are available to effectively administer the activities carried out under subtitle IB of the Act.
- The OWIB will also determine whether there is compelling evidence that a redesignation would:
 - Better meet the criteria established by the state board;
 - Be more effective or efficient; and
 - Produce better performance results for customers
- The OWIB and Local Workforce Investment Boards must provide public notice of the time, place and agenda for any regular, special or emergency meeting where (re)designations will be discussed.
 - The notice must be specific enough to permit citizens to recognize matters of interest.
- If the OWIB determines the request meets the applicable criteria and there is compelling evidence that a local area(s) should be redesignated, the Governor may approve the redesignation request and recognize the resulting new configuration of local area(s).
- A change in local area designation, or the redesignation of local areas, is considered a substantial change that requires a modification of the State Strategic Plan.
- State Plan modifications are subject to the same public review and comment requirements that apply to the development of the original State Plan; the OWIB must provide an opportunity for public comment on and input into the development of the modification before submitting it to the Governor.
 - Prior to the date on which the OWIB submits a plan modification, the OWIB shall:
 - (1) make available copies of a proposed plan modification to the public through such means as public hearings and local news media;
 - (2) allow members of the local board and members of the public, including representatives of business and representatives of labor organizations, to submit comments on the proposed local plan to the local board, not later than the end of the 30-day period beginning on the date on which the proposed plan modification is made available; and
 - (3) include with the plan modification submitted to the Governor any such comments that represent disagreement with the plan.
- Any changes to existing LWIA designations will be forwarded to DOL/ETA for federal approval/recognition in the form of a new State Plan or State Plan Modification, along with:
 - A description of the process the State used to make the Plan available to the public and the outcome of the State's review of the resulting public comments.

Additional notes:

- To be timely, requests must be received by the Governor (or Advisor) not later than October 1 of the year previous to the Program Year the redesignation would be in effect.
 - A Program Year (PY) is from July 1 through June 30 – e.g., PY 2013 is July 1, 2013 through June 30, 2014.
- An appeal process exists for any unit of local government, or combination of such units, whose request for redesignation was denied.

References:

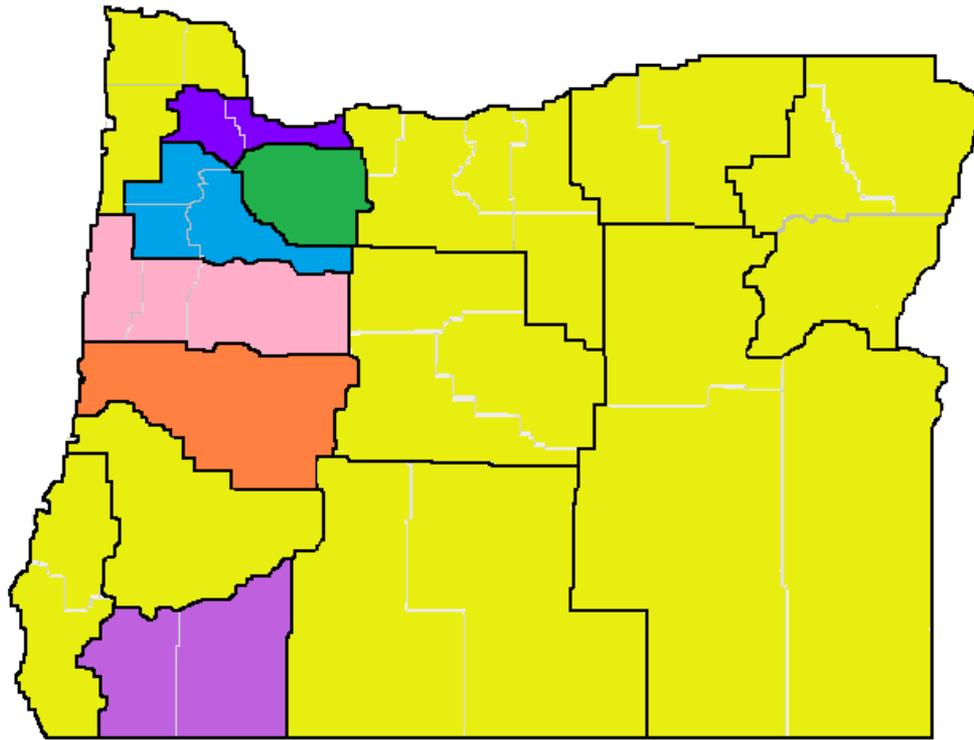
Many of the procedural aspects and requirements of redesignation are addressed and cross-referenced among the sources below. Additionally, Oregon sources may contain Oregon-specific processes.

Federal requirements and guidance for the designation and redesignation of Local Workforce Investment Areas (LWIA) may be found primarily in:

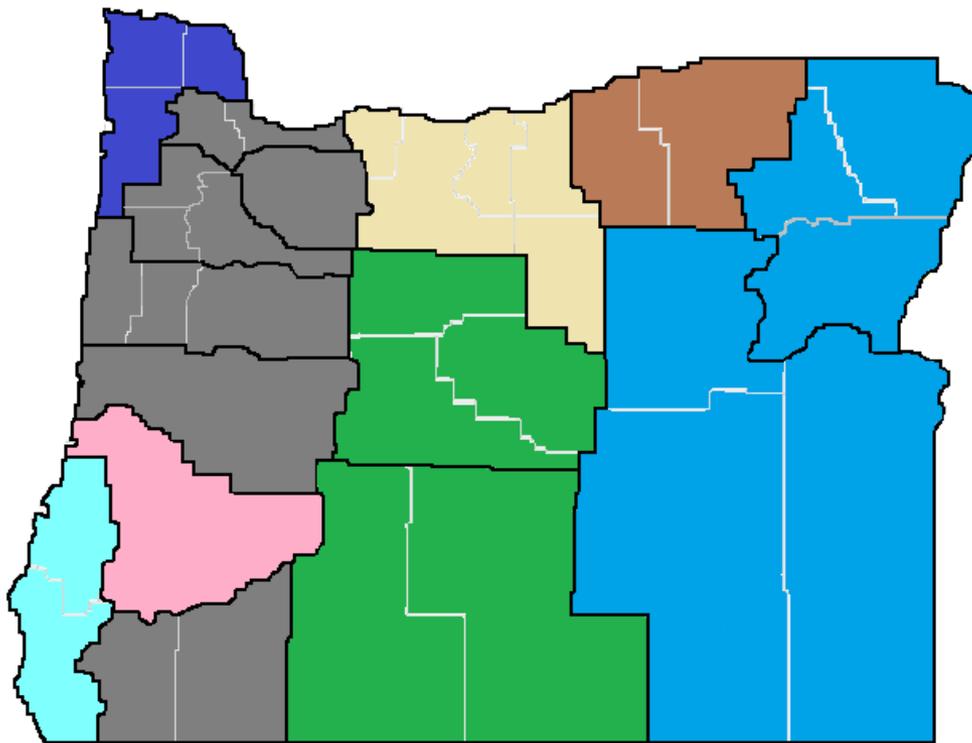
- The Workforce Investment Act, Section 116 <http://www.doleta.gov/usworkforce/wia/wialaw.pdf>
- 20 CFR, Part 661.250 through 661.280
<http://www.doleta.gov/usworkforce/wia/finalrule.pdf>
- Training and Employment Guidance Letter (TEGL) 37-10, *Workforce Investment Act (WIA) and Appropriations Act Provisions on the Designation of Local Workforce Investment Areas*
<http://wdr.doleta.gov/directives/attach/TEGL/TEGL37-10ACC.pdf>

Oregon's state-level guidance may be found at:

- ORS 660.324, *Duties of state board; state plan for workforce investment system*
https://www.oregonlegislature.gov/bills_laws/lawsstatutes/2011ors660.html
- OAR 151-010-0040, *Designation of Workforce Investment Areas (Designation/ Redesignation)*
http://arcweb.sos.state.or.us/pages/rules/oars_100/oar_151/151_010.html
- OWIB Policy, *Workforce Investment Area Designation (Amended: March 26, 2004)*
<http://www.worksourceoregon.org/state-workforce-board/about-oregons-workforce-investment-board/rules-and-policies/278-workforce-investment-area-designation>



-  Oregon Workforce Alliance/ The Oregon Consortium
-  Workforce Investment Board for Multnomah and Washington Counties and the City of Portland/ Worksystems, Inc.
-  Job Growers Incorporated
-  Workforce Investment Council
-  Linn, Benton, Lincoln Workforce Investment Board/ Community Services Consortium
-  Lane Workforce Partnership
-  Rogue Workforce Partnership/ The Job Council



- Non-TOC/OWA
- MTC – Management & Training Corporation (MTC Works)
- UT&E – Umpqua Training & Employment
- SCBEC – South Coast Business Employment Corporation
- MCCOG – Mid-Columbia Council of Governments
- COIC – Central Oregon Intergovernmental Council
- CAPECO – Community Action Program of East Central Oregon
- TEC – Training and Employment Consortium

Information Item
Committee Reports

System Innovation: This committee has not met since July 24, 2013.

Sector Strategies: This committee has not met since November 14, 2013.

Certified Work Read Communities: The Committee has met on January 21, 2014. The notes from the meeting attached below.

Green Jobs Council: The Green Jobs Council has been on hiatus during the legislative session. The committee will convene after the session to determine whether legislative actions have an impact on Green Jobs and consider next steps.

CWRC Sub-Committee Meeting Notes, January 21, 2014

Attendees: Dave Williams, Agnes Balassa, Paul Hill, Karen Goddin, Karen Humelbaugh, Todd Nell, Katelyn Roberts

CWRC/NCRC Data

- John Glen, analyst from OED, reported out on PRISM Data
- Todd presented downward trends on number of NCRCs and LOS Data and shared higher, NCRC level scores in Oregon vs. Nation. Reviewed CWRC results to goal. Discussion occurred on possible reasons for drop in numbers. Strong opinions that shift of proctoring responsibilities to OED may be cause
- Next steps:
 - Conduct survey and report out on assessment of the WorkSource Oregon Centers. Figure out why the numbers of NCRCs and LOSs have dropped. It was recommended that data subsets for emerging, transitioning, and incumbent workers are needed. Sub-committee members also wanted to know if the investments are helping people with disabilities and TANFF/SNAP participants.
 - Message to OWP, LWIBs, OED managers and staff that CWRC and NCRC are a top priority. Draft memo to clarify the roles of LWIBs and OED at the local level, promote the program together, funds are still supporting the assessments, certificates, and courseware. Eliminate misconceptions about OED taking over; they took over piece of the pie.

Report out on Strategies for Expansion:

- Develop procedures for Credit for Prior Learning – Silver and Gold Level NCRC earners can get 3 college credits.
- New Testing Sites – Advised committee now calling them “Non-WSO Sites” to differentiate from WSO sites: Goodwill Portland, Bend and Salem; NW Youth Corp, Early College, and Career Options High School, Pleasant Hill High School, and Springfield High School. All are in the process of getting set up as testing sets.
 - Oregon Youth Authority interested in setting up multiple sites
- Soft Skills RFP
- Communications and Marketing
 - Karen Goddin again offered to help brand and promote the program
 - Todd advised sub-committee that CCWD had entered into video contract to capture NCRC success stories from businesses using it.
- Todd shared that work continued to move forward with CWRC/NCRC Sales Kit for State and Local Use – Focus on Business and Economic Development
 - Will begin sending out electronic communications on regular basis using existing and new channels/social media
- Discussed proctor and sales training for staff

- Document Job Council Palooza process and share as best practice model
- Reviewed CWRC Certification Process – Handout
- Shared plans for OWIB Meeting on 3/14
 - CWRC 2014 Timeline
 - Show Video(s) from Champions
 - Business Champions Presentations
 - Clicker with Harder Sample Questions

Recommendations and Discussion

- Dave Williams strongly recommended that OED and Business Oregon Prefer NCRC formally for all job announcements ASAP.