



Workforce and Talent Development Board

Higher Education Coordinating Commission
3225 25th Street SE
Salem, OR 97302

Chair Rives, Vice Chair Rowe, and members of the Commission,

The purpose of this letter is to make critical funding recommendations to the Higher Education Coordinating Commission (HECC) regarding Policy Option Package #203 on Workforce Development as it relates to the HECC's budget for the 2021-2023 biennium.

The Workforce and Talent Development Board (WTDB) is very committed to delivering on our 2020-2021 Strategic Plan and on our efforts to help you and your commission members to achieve the vision and goals set out in the current HECC strategic plan. As you know, the WTDB continues its efforts, in spite of COVID, to realize our vision of equitable prosperity for all Oregonians through our mission of advancing Oregon through meaningful work, training, and education by empowering people and employers.

The WTDB performs its mission by leading and communicating a long-term vision for Oregon that anticipates and acts on future workforce needs; advising the Governor and the legislature on workforce policy and plans; aligning public workforce policy, resources, and services with employers, education, training and economic development; identifying barriers, providing solutions, and avoiding duplication of services; promoting accountability among public workforce partnerships and; sharing best practices and innovative solutions that are scalable statewide and across multiple regions.

The pandemic has significantly challenged Oregon's leaders in both private and public sectors with unprecedented social, economic and political issues and opportunities. The criticality of proven, existing infrastructure in conjunction with strong leadership that is effective, innovative and agile at the state and the local levels is without question. The Workforce and Talent Development Board (WTDB) and the Local Workforce Development Boards (LWDBs) continue to provide this type of leadership.

The WTDB through its Strategic Innovation Grants, identifies and addresses statewide inequities, needs and trends across the workforce development system. These grants allow the WTDB to invest in projects that contribute to achieving the goals called out in our 2020-2021 WTDB Strategic Plan. The grants also help to close equity gaps and support innovative and successful approaches that can be brought to scale. These innovation grants reflect a system of expanding partnerships, continuously-improving alignment, prioritization of co-investments, and solid evaluation and accountability.

In 2018, the Oregon Talent Council merged with the Oregon Workforce Investment Board to create the Workforce and Talent Development Board. Despite the expanded role of the WTDB, the Talent Council's approximately \$6 million budget was not included in the move. The WTDB Strategic Innovation Grants, funded through the Workforce General Fund, were conceived of and implemented following this merger (HB 3437) as a way to continue the Talent Council's successful model and advance a more focused and goal-oriented strategic plan. In 2018-2019, the WTDB awarded approximately \$925,000 in Strategic Innovation Grants to LWDBs that were successfully deployed across the state. These grants translated into successful education and training outcomes in urban and rural Oregon for Immigrant Nursing Talent, Nurse Clinical Faculty, Certified Surgical Technicians, Youth Career Connect participants, Summer Teaching Externships and others.

In response to the COVID-19 pandemic, the WTDB repurposed the 2019-21 Strategic Innovation Grants and, in a newly formed partnership and co-investment strategy with the Oregon Health Authority, deployed nearly \$1 million in funds to COVID-19 response efforts. These grants focus on providing education, training, and work experience opportunities for students, as well as unemployed, underemployed, transitioning and incumbent workers, particularly in the sectors most impacted by the pandemic. The WTDB funded a project led by Lane Workforce Partnership (LWP) to develop and provide virtual reality-based training to healthcare workers that meets the guidelines for physical

distancing and does not strain the supply of personal protection equipment. LWP plans to make this training available to community colleges throughout the state and to use the technology for other training programs. The WTDB also invested in a nurse simulation project led by WorkSystems and Oregon Center for Nursing. This project is focused on current and emerging methods of instruction including in-person, online and virtual. The WTDB has funded a childcare project exploring and potentially piloting a public-private childcare cooperative as well. It is these types of deft responses and innovative solutions that make the WTDB Strategic Innovation Grants valuable for the workforce system and worth biennial reinvestment.

The WTDB has also had significant success in shifting to a taskforce business model and the investments that are recommended below would provide needed funding to continue to move the important work of these taskforces forward for the benefit of so many Oregonians. The WTDB Essential Employability Skills Taskforce is comprised of representatives from education, workforce development and the business community. This taskforce is charged with submitting a report to the Governor's Office and Oregon Legislature including recommendations on definitional standards on essential employability skills, promising and best practice models, potential changes in High School Graduation skill requirements, and methods for documenting proficiency and credentialing these skills.

The Artificial Intelligence (AI) Taskforce has similar membership and is responsible for exploring and better understanding the role of AI in Oregon's current and future economy. The AI Taskforce will submit a report through the WTDB to the Governor's Office and Oregon Legislature that makes prioritized recommendations on preparing Oregon for transition to AI. A high-priority recommendation within this report will focus on K-12 and post-secondary education and training components for career pathways in AI that address business, student, incumbent and transitioning worker needs.

Critical to the workforce development efforts in our 36 counties, the Workforce General Fund grants via the Office of Workforce Investments allow LWDBs to implement community-based solutions that meet community and regional needs. These grants provide support to LWDBs in implementing three, successful initiatives: Local Competitiveness Strategies, Work Experiences, and Industry Engagement. Local Competitiveness Strategies support local workforce development boards as they effectively manage programs and business engagement in their communities. General Funds in the form of Local Competitiveness Strategies help maintain board financial sustainability. And, Work Experiences include On-the-Job Training, customized training, incumbent-worker training, apprenticeship-related training, and work experience and/or internship programs. These opportunities are targeted at serving traditionally underserved and vulnerable populations. Industry Engagement strategies are industry and employer-driven and community supported. Sector Partnerships invest in target-industry sectors, partnership action plans, and identify strategies that support the overall economic vitality of the target industry sector and region. These three initiatives continue to provide solid returns on the dollars invested.

Recommendations

The WTDB strongly recommends that the HECC fund the Workforce General Fund at \$5,000,000.

The WTDB strongly recommends that the HECC fund the WTDB Strategic Innovation Grants at \$2,500,000.

The current HECC Policy Option Package #203 for Workforce Development provides \$7,723,626 in funding for the Workforce General Fund. \$5,000,000 will be disseminated as Workforce General Fund grants to the LWDBs, \$2,500,000 will be distributed as Strategic Innovation Grants by the WTDB. The remainder will fund 1.0 FTE Operations and Policy Analyst 3 in the HECC's Office of Workforce Investments to administer these grant programs.

The WTDB strongly supports the efforts of and investments in the Office of Workforce Investments to distribute across the state. The WTDB is also committed to doing everything we can to support the Higher Education Coordinating Commission in your commitments to fostering and sustaining high quality, rewarding pathways to opportunity and success for all Oregonians through an accessible, affordable and coordinated network for educational achievement beyond high school.

Sincerely,



Ken Madden, Chair
Workforce and Talent Development Board