

House Bill 2728

Sponsored by Representatives JOHNSON, READ; Representative DAVIS, Senator DEMBROW (Presession filed.)

SUMMARY

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

Establishes Oregon Talent Council. Specifies responsibilities of council.
Requires council to develop Talent Development Plan and update plan each biennium.
Establishes Oregon Talent Council Fund in State Treasury.
Appropriates moneys to council for purposes of Act.
Abolishes Engineering and Technology Industry Council and associated fund and account.
Transfers moneys in fund and account to Oregon Talent Council Fund.
Requires council to identify state agency with which council is to be affiliated.
Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the Oregon Talent Council; creating new provisions; amending ORS 284.706 and 284.711;
3 repealing ORS 351.663 and sections 5 and 8, chapter 85, Oregon Laws 2014; and declaring an
4 emergency.

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

6 **SECTION 1. (1) The Oregon Talent Council is established. The Chief Education Officer**
7 **of the Oregon Education Investment Board, in consultation with the Governor or the**
8 **Governor's designated representative, may appoint the council members, the majority of**
9 **whom must be senior executives of traded sector and high growth companies in Oregon.**

10 **(2) The council shall have no fewer than seven and no more than 21 members.**

11 **(3) One representative of each of the following entities may serve as an ex officio member**
12 **of the council:**

13 **(a) Higher Education Coordinating Commission;**

14 **(b) State Workforce Investment Board;**

15 **(c) Oregon Business Development Department; and**

16 **(d) Employment Department.**

17 **(4) The council shall select one of its members as a chairperson.**

18 **(5) A majority of the voting members of the council constitutes a quorum for the trans-**
19 **action of business.**

20 **(6) The council shall meet at least four times per fiscal year at a place, day and time**
21 **determined by the chairperson. The council may also meet at other times and places speci-**
22 **fied by a call of the chairperson or by written request of a majority of the voting members**
23 **of the council.**

24 **(7) The council may adopt rules necessary for the operation of the council.**

25 **(8) The council may establish committees and delegate to the committees duties the**
26 **council considers desirable.**

27 **(9) The council shall employ its own staff support. The total cost of employing staff and**
28 **supporting operations under this section may not exceed five percent of the amount appro-**

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 **riated by the Legislative Assembly to the council.**

2 **SECTION 2.** Section 1 of this 2015 Act is amended to read:

3 **Sec. 1.** (1) The Oregon Talent Council is established. The [*Chief Education Officer of the Oregon*
4 *Education Investment Board*] **Director of the Oregon Business Development Department**, in
5 consultation with the Governor or the Governor’s designated representative, may appoint the coun-
6 cil members, the majority of whom must be senior executives of traded sector and high growth
7 companies in Oregon.

8 (2) The council shall have no fewer than seven and no more than 21 members.

9 (3) One representative of each of the following entities may serve as an ex officio member of the
10 council:

- 11 (a) Higher Education Coordinating Commission;
- 12 (b) State Workforce Investment Board;
- 13 (c) Oregon Business Development Department; and
- 14 (d) Employment Department.

15 (4) The council shall select one of its members as a chairperson.

16 (5) A majority of the voting members of the council constitutes a quorum for the transaction
17 of business.

18 (6) The council shall meet at least four times per fiscal year at a place, day and time determined
19 by the chairperson. The council may also meet at other times and places specified by a call of the
20 chairperson or by written request of a majority of the voting members of the council.

21 (7) The council may adopt rules necessary for the operation of the council.

22 (8) The council may establish committees and delegate to the committees duties the council
23 considers desirable.

24 (9) The council shall employ its own staff support. The total cost of employing staff and sup-
25 porting operations under this section may not exceed five percent of the amount appropriated by the
26 Legislative Assembly to the council.

27 **SECTION 3.** (1) **The Oregon Talent Council shall advise on issues of talent development**
28 **to promote the growth and competitiveness of Oregon’s traded sector and high growth in-**
29 **dustries.**

30 (2) **The council shall develop criteria and measurements that will be used for determining**
31 **investments made from the fund established under section 7 of this 2015 Act.**

32 (3) **The criteria and measurements developed by the council must include:**

33 (a) **Responding to the urgent educational needs of Oregon’s traded sector and high**
34 **growth industries.**

35 (b) **Strengthening the state’s capacity, quality and efficiency at public universities listed**
36 **in ORS 352.002, community colleges and nonprofit private colleges and universities to meet**
37 **the graduate level and professional education needs of employees working in Oregon’s traded**
38 **sector and high growth industries.**

39 (c) **Enhancing the ability to deliver education and training in a timely manner to meet**
40 **industry needs and state policy goals.**

41 (d) **Investing relatively scarce state financial resources to:**

42 (A) **Address the most demonstrated and pressing needs of Oregon’s traded sector and**
43 **high growth industries;**

44 (B) **Produce the greatest amount of educational benefits with the least short-term and**
45 **long-term costs to the public;**

1 (C) Avoid duplicating existing public or private resources; and

2 (D) Leverage existing and future private resources for the public benefit.

3 (e) Making all investments in public and private institutions through performance-based
4 contracts with measurable outcomes.

5 (f) Making investments of limited duration.

6 (4) Priority is given to investments for which private financial resources from Oregon
7 companies or individuals with significant interests in the growth of traded sector and high
8 growth industries in Oregon are made available to augment public funds.

9 (5) The council shall develop a talent plan each biennium and make recommendations on
10 using strategic investments to foster partnerships between Oregon's traded sector and high
11 growth industries and public universities listed in ORS 352.002, community colleges and
12 nonprofit private colleges and universities.

13 (6) The council shall submit to the Oregon Education Investment Board biennial per-
14 formance reviews of all investments made under this section.

15 (7) The council, the Oregon Business Development Commission, the Higher Education
16 Coordinating Commission, the State Workforce Investment Board and the Employment De-
17 partment shall develop a written memorandum of understanding to coordinate policies and
18 programs relating to the duties of the council.

19 **SECTION 4.** Section 3 of this 2015 Act is amended to read:

20 **Sec. 3.** (1) The Oregon Talent Council shall advise on issues of talent development to promote
21 the growth and competitiveness of Oregon's traded sector and high growth industries.

22 (2) The council shall develop criteria and measurements that will be used for determining in-
23 vestments made from the fund established under section 7 of this 2015 Act.

24 (3) The criteria and measurements established by the council must include:

25 (a) Responding to the urgent educational needs of Oregon's traded sector and high growth in-
26 dustries.

27 (b) Strengthening this state's capacity, quality and efficiency at public universities listed in ORS
28 352.002, community colleges and nonprofit private colleges and universities to meet the graduate
29 level and professional education needs of employees working in Oregon's traded sector and high
30 growth industries.

31 (c) Enhancing the ability to deliver education and training in a timely manner to meet industry
32 needs and state policy goals.

33 (d) Investing relatively scarce state financial resources to:

34 (A) Address the most demonstrated and pressing needs of Oregon's traded sector and high
35 growth industries;

36 (B) Produce the greatest amount of educational benefits with the least short-term and long-term
37 costs to the public;

38 (C) Avoid duplicating existing public or private resources; and

39 (D) Leverage existing and future private resources for the public benefit.

40 (e) Making all investments in public and private institutions through performance-based con-
41 tracts with measurable outcomes.

42 (f) Making investments of limited duration.

43 (4) Priority is given to investments for which private financial resources from Oregon companies
44 or individuals with significant interests in the growth of traded sector and high growth industries
45 in Oregon are made available to augment public funds.

1 (5) The council shall develop a talent plan each biennium and make recommendations on using
2 strategic investments to foster partnerships between Oregon's traded sector and high growth indus-
3 tries and public universities listed in ORS 352.002, community colleges and nonprofit private colleges
4 and universities.

5 (6) The council shall submit to the [*Oregon Education Investment Board*] **Oregon Business De-**
6 **velopment Department** biennial performance reviews of all investments made under this section.

7 (7) The council, the Oregon Business Development Commission, the Higher Education Coordi-
8 nating Commission, the State Workforce Investment Board and the Employment Department shall
9 develop a written memorandum of understanding to coordinate policies and programs relating to the
10 duties of the council.

11 **SECTION 5.** The amendments to sections 1 and 3 of this 2015 Act by sections 2 and 4 of
12 this 2015 Act take effect on March 15, 2016.

13 **SECTION 6.** (1) The Oregon Talent Council shall develop a Talent Development Plan. The
14 plan must include identification of talent issues and trends related to the development of
15 workers in Oregon's traded sector and high growth industries and make recommendations
16 to the State Workforce Investment Board and the Higher Education Coordinating Commis-
17 sion on training and education enhancements based upon the identified workforce issues and
18 trends.

19 (2) The council shall update the plan every biennium.

20 (3) Each year, the council shall report to the Governor and the Legislative Assembly
21 about the plan.

22 **SECTION 7.** (1) There is created within the State Treasury, separate and distinct from
23 the General Fund, the Oregon Talent Council Fund. Interest earned by the Oregon Talent
24 Council Fund shall be credited to the fund.

25 (2) Moneys in the fund shall consist of:

26 (a) Amounts donated to the fund;

27 (b) Amounts appropriated or otherwise transferred to the fund by the Legislative As-
28 sembly;

29 (c) Investment earnings received on moneys in the fund; and

30 (d) Other amounts deposited in the fund from any source.

31 (3) Moneys in the fund are continuously appropriated to the Oregon Talent Council for
32 the purposes of making investments using the criteria and measurements set forth in section
33 3 of this 2015 Act and for entering into contracts to carry out the recommendations included
34 in the plan developed under section 3 of this 2015 Act.

35 (4) The council may establish accounts and subaccounts within the fund when the council
36 determines that accounts or subaccounts are necessary or desirable and may credit any in-
37 terest or income derived from moneys in the fund to any account or subaccount in the fund.

38 (5) The council may use the moneys in the fund to pay the administrative and operating
39 costs associated with the fund and with making grants, loans and other distributions of
40 moneys from the fund.

41 **SECTION 8.** ORS 351.663 and sections 5 and 8, chapter 85, Oregon Laws 2014, are re-
42 pealed.

43 **SECTION 9.** (1) The account designated under section 5, chapter 85, Oregon Laws 2014,
44 for investments in engineering education, within the Oregon Education Investment Fund
45 established under section 3, chapter 519, Oregon Laws 2011, is abolished.

1 **(2) Any moneys remaining in the account on the effective date of this 2015 Act that are**
 2 **unexpended, unobligated and not subject to any conditions shall be transferred to the Oregon**
 3 **Talent Council Fund established under section 7 of this 2015 Act.**

4 **SECTION 10. (1) The Engineering and Technology Industry Fund, established in section**
 5 **8, chapter 85, Oregon Laws 2014, for investments in engineering education, is abolished.**

6 **(2) Any moneys remaining in the fund on the effective date of this 2015 Act that are**
 7 **unexpended, unobligated and not subject to any conditions shall be transferred to the Oregon**
 8 **Talent Council Fund established under section 7 of this 2015 Act.**

9 **SECTION 11.** ORS 284.711 is amended to read:

10 284.711. (1) The Oregon Innovation Council shall provide advice to the Governor, the Legislative
 11 Assembly, research institutions, public agencies that provide economic development and the private
 12 sector on issues related to:

13 (a) Promoting agreements between research institutions and private industry that increase
 14 technology transfer and the commercialization of research;

15 (b) Promoting investment in specialized research facilities and signature research centers where
 16 Oregon has a distinct or emerging advantage for creating new products and businesses;

17 (c) Stimulating seed and start-up capital investment and entrepreneurial capacity that will pro-
 18 mote economic growth in Oregon traded sector industries or Oregon growth businesses;

19 (d) Developing the entrepreneurial and management capacity critical to the competitiveness of
 20 Oregon traded sector industries or Oregon growth businesses in rapidly growing global markets;

21 (e) Enhancing the international competitiveness of Oregon traded sector industries or Oregon
 22 growth businesses; and

23 (f) Identifying workforce issues for occupations critical to the competitiveness of Oregon traded
 24 sector industries or Oregon growth businesses, including but not limited to scientific, engineering,
 25 information technology, business management and innovation-based economic development occupa-
 26 tions.

27 *[(2) The Oregon Innovation Council shall advise the Engineering and Technology Industry Council*
 28 *established in ORS 351.663 on how to coordinate the Engineering and Technology Industry Council's*
 29 *goals and policies with the state plan developed under ORS 284.715.]*

30 **[(3)] (2)** The council, the Oregon Business Development Commission, the State Board of Higher
 31 Education and the office of the State Treasurer shall coordinate policies and programs related to
 32 the duties of the council.

33 **[(4)] (3)** Based on the state plan developed under ORS 284.715 and subject to the approval of the
 34 Oregon Business Development Department, the council may distribute moneys in the Oregon Inno-
 35 vation Fund by grant or loan or pursuant to contracts with research institutions, the private sector
 36 and public entities.

37 **[(5)] (4)** The council may assess and charge fees for making grants or loans under ORS 284.742.

38 **SECTION 12.** ORS 284.706 is amended to read:

39 284.706. (1) There is created the Oregon Innovation Council consisting of the following voting
 40 members:

41 (a) The Governor or the Governor's designated representative, who shall be chairperson of the
 42 council.

43 (b) Five members appointed by the Governor who are engaged in the operations of Oregon
 44 traded sector industries or Oregon growth businesses.

45 (c) One member appointed by the Governor who is a representative of an Oregon-based, gener-

1 ally accredited, not-for-profit private institution of higher education.

2 (d) A member of the Oregon Growth Board, appointed by the board.

3 [(e) A member of the Engineering and Technology Industry Council, appointed by the Engineering
4 and Technology Industry Council.]

5 [(f)] (e) The Director of the Oregon Business Development Department.

6 [(g)] (f) The executive director of the Higher Education Coordinating Commission.

7 [(h)] (g) The State Treasurer.

8 (2)(a) The Speaker of the House of Representatives shall appoint two members to the council
9 who are members of the House of Representatives.

10 (b) The President of the Senate shall appoint two members to the council who are members of
11 the Senate.

12 (c) Members of the Legislative Assembly appointed to the council are nonvoting members and
13 may act in an advisory capacity only.

14 (3) The following persons, or their representatives, shall serve as ex officio, nonvoting members
15 of the council:

16 (a) The presiding officer of the Oregon Business Development Commission.

17 (b) The chairperson of the Higher Education Coordinating Commission.

18 (c) An executive officer of an association representing Oregon-based, generally accredited, not-
19 for-profit private institutions of higher education, appointed by the Governor.

20 (4) The term of office of each appointed voting member of the council is three years, but an
21 appointed member serves at the pleasure of the appointing authority. Before the expiration of the
22 term of an appointed voting member, the appointing authority shall appoint a successor whose term
23 begins on July 1 next following. An appointed member is eligible for reappointment. If there is a
24 vacancy for any cause, the appointing authority shall make an appointment to become immediately
25 effective for the remainder of the unexpired term.

26 (5) A majority of the voting members of the council constitutes a quorum for the transaction
27 of business.

28 (6) Official action by the council requires the approval of a majority of the voting members of
29 the council.

30 (7) The council shall meet at least twice per fiscal year at a place, day and time determined by
31 the chairperson. The council may also meet at other times and places specified by a call of the
32 chairperson or by written request of a majority of the voting members of the council.

33 (8) The council may adopt rules necessary for the operation of the council.

34 (9) The council may establish committees and delegate to the committees duties as the council
35 considers desirable.

36 (10) The Oregon Business Development Department shall provide staff support to the council.

37 (11) Members of the council who are members of the Legislative Assembly are entitled to com-
38 pensation and expense reimbursement as provided in ORS 171.072.

39 (12) Members of the council who are not members of the Legislative Assembly are entitled to
40 compensation and expenses incurred by them in the performance of their official duties in the man-
41 ner and amounts provided for in ORS 292.495. Claims for compensation and expenses of members
42 of the council who are public officers shall be paid out of funds appropriated to the public agency
43 that employs the member. Claims for compensation and expenses of members of the council who are
44 not public officers shall be paid out of funds appropriated to the Oregon Business Development De-
45 partment for that purpose.

1 (13) All agencies of state government, as defined in ORS 174.111, are directed to assist the
2 council in the performance of its duties and, to the extent permitted by laws relating to
3 confidentiality, to furnish such information and advice as the members of the council consider nec-
4 essary to perform their duties.

5 **SECTION 13. Not later than June 30, 2017, the Oregon Talent Council, in consultation**
6 **with the Higher Education Coordinating Commission, the Oregon Business Development De-**
7 **partment and the State Workforce Investment Board, shall determine the state agency with**
8 **which the Oregon Talent Council is to be affiliated.**

9 **SECTION 14. Section 13 of this 2015 Act is repealed on September 15, 2017.**

10 **SECTION 15. There is appropriated to the Oregon Talent Council, for the biennium be-**
11 **ginning July 1, 2015, out of the General Fund, the amount of \$15,000,000 for the purpose of**
12 **carrying out the provisions of sections 1, 3, 6 and 13 of this 2015 Act.**

13 **SECTION 16. This 2015 Act being necessary for the immediate preservation of the public**
14 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
15 **on its passage.**

16