

HOUSE LEGISLATIVE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

March 1, 1991Hearing Room 343 8:00 A.M.State Capitol Salem, OR

Tapes 72 - 75

Benchmarks Presentation Workforce Job Training Programs

MEMBERS PRESENT: REP. MARGARET CARTER, VICE CHAIR REP. JERRY BARNES REP. CEDRIC HAYDEN REP. VERA KATZ REP. BOB PICKARD

MEMBERS EXCUSED:REP. RAY BAUM, CHAIR

STAFF PRESENT: JOSEPH CORTRIGHT, EXECUTIVE OFFICER TAMIRA MILLER, POLICY ANALYST JERI CHASE, OFFICE MANAGER HOLLY BROWN, COMMITTEE ASSISTANT

WITNESSES:DUNCAN WYSE, EXECUTIVE DIRECTOR, OREGON PROGRESS BOARD DEBBIE LINCOLN, DEPUTY COMMISSIONER, OFFICE OF COMMUNITY COLLEGE SERVICES DAN MORIARITY, PRESIDENT, PORTLAND COMMUNITY COLLEGE J.D. HOYE, ASSOCIATE SUPERINTENDENT, VOCATIONAL TECHNICAL EDUCATION DARREL WARD, ASSISTANT SUPERINTENDENT, DIVISION OF VOCATIONAL EDUCATION

NOTE: These minutes contain materials which paraphrases and/or summarizes statements made during this meeting. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE 72, SIDE A

000 VICE CHAIR CARTER convenes the meeting at 8:05 a.m.

Benchmarks Presentation

034 DUNCAN WYSE: Presents "Human Investment Partnership" (EXHIBIT A). Slide presentation. Real wages have declined in the 80's in Oregon.

085 REP. CARTER: This committee has been telling us since 1986 that per capita income has drop, family wage jobs are in trouble and we have been trying to get that message out too. Did you do anything in this report that talked about how we can regain that competitive edge?

090 WYSE: Yes. Our theory has been if you are serious about per capita income and the goals that this committee has raised the only way that the economy that is emerging can deal with that is through workforce policy. There is a strong connection between skills, education and wages.

100 WYSE: Continues slide presentation. The United States no longer has the highest wages.

133 REP. KATZ: Is this just raw wages?

136 WYSE: Yes.

139 CORTRIGHT: All of those countries that have wages higher than the U.S. sell more to the U.S. than we sell to them.

150 WYSE: We need to appreciate that we are in healthy competition with other economies. On one level our competitors are doing better than we are. We are now competing in a global market place. Continues slide presentation. One key factor on why other nations are making higher wages than we are has to do with education and training systems. We don't compare well to other countries in math and science. Opportunities are increasingly bleak for low skill labor. The global market creates competitive challenges and more changes.

233 VICE CHAIR CARTER: How our occupational programs are training the entry level people is going to be a policy problem for us.

241 WYSE: It requires fundamental skills, but it also requires specialized skills. We need to insist on high fundamental skills and access to technical training. The general fund expenditures of human resources and the correctional services are increasing.

285 REP. HAYDEN: It seems the problem would be that there are dysfunctional individual and families that just can't compete and never will.

333 WYSE: Continues slide presentation. Further employment declines are forecasted. Oregon's workforce is aging. Other nations are investing more in training programs. Presents EXHIBIT A.

TAPE 73, SIDE A

029 WYSE: Continues presentation of EXHIBIT A.

055 VICE CHAIR CARTER: Society has determined what that model should be. The economy mandates that both parents work. We are failing by not developing new institutions because we are still trying to make the old one work. Have you seen any data pro or con against this being the case?

091 WYSE: If training programs rise you may be able to go back to a single family wage earner.

126 WYSE: Continues slide presentation. We need to build the idea that education is life long.

144 REP. HAYDEN: I don't think the state is going to be able to do a better job than what the families used to be able to do.

155 REP. KATZ: Though our schools are good they are not good enough to focus on the international picture.

171 WYSE: In schools we need to demand the traditional core curriculum be improved. We need to expand education programs to instill a wider range of skills. At the same time there is a demand on team work skills. Technical education needs to be built on a base of fundamental skills.

221 REP. KATZ: We have to shift our thinking in terms of what

education is like before training.

236 WYSE: We need to connect vocational training with industry sectors to get the training programs that feed into those sectors in a much more organized way. Concludes slide presentation. Presents EXHIBIT A.

300 REP. KATZ: The danger with this is that people don't want to make the real hard change which is K- 10. So they will just build on what they are doing now.

336 WYSE: The major notion of this is that we are going to move off the general track into a specialized track for those not college bound.

356 REP. MC TEAGUE: Have you presented this to educators and how have they reacted?

359 WYSE: We have had a variety of reactions.

380 REP. MC TEAGUE: I wonder how these concepts would be accepted among the public?

400 REP. KATZ: The business community loves these concepts, the educational community is in agreement as long as you strip the funding issue.

TAPE 72, SIDE B

035 WYSE: We have the benchmarks in place, now we are picking through strategies to achieve them and that means a lot of comparative data.

046 VICE CHAIR CARTER recesses the meeting at 9:07 am.

048 VICE CHAIR CARTER reconvenes the meeting at 9:18 am

Workforce

075 TAMI MILLER: Presents "Client Services" (EXHIBIT B).

152 MILLER: Continues presentation of EXHIBIT B.

200 VICE CHAIR CARTER: The labor commissioner is an elected official so we have no power to override what the commissioner says. The one thing we can do is to seek a waver in terms of the direction we want to see those dollars driven in this state.

230 MILLER: Presents packet on response to agency survey (EXHIBIT C).

262 VICE CHAIR CARTER: Our thing is not trying to create power shifts it is trying to maximize the dollars we have in the state and cut down on duplication of programs.

266 REP. KATZ: Did we have to delegate all the responsibility in implementing and overseeing JTPA programs to the council? We made a choice to do that do we have an opportunity to make changes in that policy?

275 VICE CHAIR CARTER: It is a matter of the model you use.

300 DEBBIE LINCOLN: Submits "Oregon: Office of Community College

Services" (EXHIBIT D)

378 LINCOLN: Present response to agency survey (EXHIBIT E).

385 VICE CHAIR CARTER: Does it specify the types of services that have to be given?

386 LINCOLN: We have a lot of leeway on how we can use these funds

395 VICE CHAIR CARTER: Magaziner proposes youth centers. If you were to take at risk youths in your adult basic education programs could you create a youth center within the framework of the community college already there without getting into trouble with K-12 schools?

420 DAN MORIARITY: I think the youth center is part of the restructuring of education. I don't think it would be a problem with K-12 if we do get into a restructuring of the way we deliver education and the way we deliver on the promise of mastery of various skills. In the restructuring process we would deal with the problems.

TAPE 73, SIDE B

026 VICE CHAIR CARTER: Could you take a pilot program with students who are in both adult basic education and high school completion and do that in an environment such as we have at PCC?

032 MORIARITY: Yes, we could do that but we would have to work very closely with the local school district.

038 REP. KATZ: Community colleges have been reluctant to deal with the drop outs because they could be as young as 14.

048 MORIARITY: We try to focus on the 16 plus age group. The community college is not set up for those that are younger than 16.

063 REP. KATZ: The money would follow the child. We are not going to be asking organizations to do this free.

072 MORIARITY: I would hope we would use the resources there and not create another entity.

100 REP. BARNES: Would these funds permit you to set up centers in communities where there are none now?

107 LINCOLN: Yes.

113 REP. KATZ: If the concept of the initial certificate of mastery comes into play the role of the community colleges is going to be critical but you are going to have to raise your curriculum standards for everybody, in terms of both expectations and guidelines.

120 MORIARITY: We are comfortable with that. Because no matter what, students have to complete a competency requirement.

223 REP. HAYDEN: If our kids are being so poorly trained on a world comparison how are we able to compete with the world so well?

226 MORIARITY: I think you are referring to tests in math and science skills with students in comparable transfer programs in the world. I don't have any quick explanation for that. I think we need to raise our

expectation levels.

243 J.D. HOYE: Presents response to agency survey (EXHIBIT F).

292 REP. KATZ: Who has the authority to target those areas that need special resources?

296 HOYE: The legislature could identify key elements of the population that they would like funds targeted to. The act federally does set aside and target some of those resources and provide general guidelines. There is nothing to prevent policy makers from looking at those resources more closely in terms of additional population or expanding the population that those resources touch.

307 REP. KATZ: What would you recommend we do to drive some of those resources to do what we want to do because we don't have the general fund dollars to do it?

317 HOYE: My frustration is that we do not have a coordinated way for those resources to get to a local environment to be planned on, coordinated and put in a comprehensive service strategy for a given area. My hope would be that we begin to look at our funding streams in a big comprehensive view and ask locals to look at all of those resources at once.

372 REP. KATZ: If we were interested in implementing the concept of youth centers or skill centers, could we target the JTPA resources and tell you that you shall spend some of those dollars assisting your workforce council to do that?

392 HOYE: Yes.

398 MILLER: Specifically, would you give the council authority over the approval of your operating budgets for the agencies that participate in the council and the authority to review and approve the operating plans of those agencies?

414 HOYE: Initially it would be appropriate to look carefully at the investments that are made as well as agreeing what outcomes we hope to measure for those investments. Over time I would hope the council would begin to spend the bulk of its time looking at the larger policy questions.

435 VICE CHAIR CARTER: I think that this assembly has not had a problem with the policy arm of JTPA. Do we need a waiver to direct these dollars?

TAPE 74, SIDE A

020 HOYE: Depending on the policy direction it may require a waiver. If it was general and it was part of an overall planning schematic I don't think that would require a waiver.

025 REP. KATZ: Could you send some of these JTPA funds that normally go to the PIC to go to the community college or to the youth center concept?

031 HOYE: The bulk of the funds still use the private industry council as a funding mechanism and they would need to be the partner with the community college. Some of the funds you could direct toward community

colleges.

047 REP. KATZ: Could a portion of those dollars go to the Department of Education, the Department of Economic Development and whoever else would be involved in establishing the curriculum and the assessment mechanisms for the technical certificates?

049 HOYE: Yes.

064 REP. KATZ: We heard of a boot camp concept for hard core unemployed, can we dedicate a piece of those dollars?

076 HOYE: Yes.

086 REP. KATZ: Where do the federal dollars go to?

089 HOYE: It goes to the Department of Economic Development.

140 DARREL WARD: Submits response to the agency survey (EXHIBIT G). There is about \$18.4 million of Carl Perkins money that comes into the state this biennium. That money goes into improvement of vocational technical programs. You have a system of secondary schools making an investment of local funds. The ultimate recipients for this act are the secondary schools the community colleges and the correctional agencies.

177 VICE CHAIR CARTER: How much does the corrections department receive of those dollars?

179 WARD: There is a one percent set aside for the total money, \$100,000 per year or less, that has to go to correction agencies.

203 REP. KATZ: If the Governor or the legislature carried out the spirit of what we have been talking about, could you do it and set a general policy?

218 WARD: Yes, in the workforce fund of last session we have made a tremendous effort to target those monies to very significant needs.

225 VICE CHAIR CARTER: Could you sit down and develop a statewide policy on how we are going to do this in the state?

230 LINCOLN: We are working on that. The Workforce Council that Marilyn Kaiser is pulling together has exactly that in mind.

236 REP. KATZ: K-10 is missing from that.

244 WARD: The workforce people are working together but we can't change the system until the system is ready to change.

263 REP. KATZ: If we believe in the concept of the education piece as a very important piece for the training and the workforce is it possible to use some of the JTPA dollars for K-10?

275 HOYE: Yes. The limitation is that they must meet the eligibility requirement.

279 REP. KATZ: What would be available to us to carry out the policy and the agenda described in Magaziners report, in terms of the dollars available to you?

296 LINCOLN: They are working with us and those things are happening in individual schools what we need to do is bring them together and understand what is going on out there.

317 HOYE: The investment potential is there but there are some barriers in terms of the entire system that need to be taken on at the same time in terms of the relative merit of a vocational education course as it relates to any kind of certificate.

400 MILLER: How can you redirect JTPA funds?

420 HOYE: It is a planning process. You put together comprehensive plans that support the policy direction that you are going. You set similar expectations for all these funding sources and sit down locally to put together comprehensive plans that make sense together.

TAPE 75, SIDE A

014 MILLER: Could the policy direction could come from the legislature saying we expect each service delivery are to establish youth centers sufficient for the number of disadvantaged youth in their areas we don't care how you fund it you guys sit down and create that opportunity and do that?

020 HOYE: Yes, but please don't let it appear to be a new stand alone piece.

028 MILLER: When you say the EDD receives your check from the federal government, do they in turn pass that check in whole to you and you distribute it to the PIC's?

032 HOYE: It is on an electronic transfer system.

041 MILLER: If effectively each PIC is given a credit, how do you keep them from spending funds until they have approval for their plans?

054 HOYE: A 2 year plan has to be through the system before the funds become available to them.

099 MILLER: Is it legally allowable to give a state workforce council the authority to withhold funds and to review operating plans and to approve budgets prior to their submission to the legislature?

109 HOYE: Yes.

153 VICE CHAIR CARTER adjourns the meeting at 11:52 a.m.

Submitted by,

Jeri Chase Office Manager

EXHIBIT SUMMARY

EXHIBIT A - "Human Investment Partnership," submitted by Duncan Wyse, pgs. 38.

EXHIBIT B - "Client Services," submitted by Tami Miller, pgs. 4.

EXHIBIT C - Packet on response to agency survey, submitted by Tami Miller, pgs. 6.

EXHIBIT D - "Oregon: Office of Community College Services," submitted by Debbie Lincoln, pgs. 79.

EXHIBIT E - Response to agency survey, submitted by Debbie Lincoln, pgs. 11.

EXHIBIT F - Response to agency survey, submitted by J.D. Hoye, pgs. 4.

EXHIBIT G - Response to agency survey, submitted by Darrel Ward, pgs. 14.