

**A-Engrossed**  
**House Bill 2728**

Ordered by the House March 24  
Including House Amendments dated March 24

Sponsored by Representatives JOHNSON, READ; Representatives DAVIS, WHISNANT, Senator DEMBROW (Pre-session 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.

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 **Employment Department for allocation 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.]*  
**Includes private sector member of Oregon Talent Council as member of Oregon Innovation Council.**  
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 3, 5, 7, 8, 9 and 10, chapter 85, Oregon Laws 2014; and de-  
4 claring an emergency.

5 Whereas there is a critical gap in skilled talent and an urgent need to address talent gaps in  
6 Oregon; and

7 Whereas Oregon's economic competitiveness is dependent on having diverse, qualified and  
8 skilled talent to support the growth of Oregon's business and industry; and

9 Whereas a diverse, qualified and skilled talent base is a necessary resource for the implemen-  
10 tation of state economic, education, workforce and other policy goals; and

11 Whereas access to public education and training resources by workers and employers through-  
12 out the entire state is critical to Oregon's economic prosperity; now, therefore,

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

14 **SECTION 1. (1) The Oregon Talent Council is established. The Director of the Employ-**  
15 **ment Department, in consultation with the Governor or the Governor's designated repre-**  
16 **sentative, may appoint the council members, the majority of whom must be senior executives**  
17 **of traded sector and high growth industries in Oregon.**

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

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

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

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

**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 (c) Oregon Business Development Department;

2 (d) Employment Department; and

3 (e) STEM Investment Council.

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

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

7 (6) The council shall meet at least four times per fiscal year at a place, day and time  
8 determined by the chairperson. The council may also meet at other times and places speci-  
9 fied by a call of the chairperson or by written request of a majority of the members of the  
10 council.

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

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

14 (9) The Employment Department, in consultation with the council, may use up to 10  
15 percent of the amount appropriated by the Legislative Assembly for allocation to the council  
16 to employ staff and support the operations of the council.

17 **SECTION 2.** (1) The Oregon Talent Council shall advise and be a resource for state  
18 agencies and educational institutions on issues of talent development to promote the growth  
19 and competitiveness of Oregon's traded sector and high growth industries.

20 (2) The council shall work in cooperation with the Employment Department to provide  
21 industry-based information and data on talent needs and gaps.

22 (3) The council shall develop criteria and measurements that will be used for determining  
23 investments made from the fund established under section 4 of this 2015 Act. All investments  
24 in public and private institutions shall be:

25 (a) Contingent upon performance-based contracts with measurable outcomes; and

26 (b) Of limited duration.

27 (4) Each biennium, the council shall develop a talent plan under section 3 of this 2015  
28 Act that the council will use to invest moneys from the fund established under section 4 of  
29 this 2015 Act. The talent plan and investments shall:

30 (a) Identify and prioritize the urgent talent gaps of Oregon's traded sector and high  
31 growth industries.

32 (b) Respond to immediate talent needs by creating additional opportunities for  
33 Oregonians to pursue education and training in disciplines critical to the advancement of  
34 Oregon's traded sector and high growth industries.

35 (c) Strengthen efforts to enhance student work experience and job preparedness in high  
36 demand and critical occupations.

37 (d) Create new means of delivering workforce training and proficiency-based education  
38 that can enhance program efficiency, upgrade and share resources and facilities and improve  
39 student outcomes and access to typically underrepresented populations while meeting talent  
40 needs of traded sector and high growth industries.

41 (e) Increase the skills of the existing professional and technical workforce, including  
42 through the issuance of certifications, badges and industry-based credentials.

43 (5) The council shall prioritize investments for which other public resources and private  
44 financial resources from Oregon companies or individuals are made available to augment  
45 council funds.

1 (6) The council shall submit an annual report to the Employment Department on in-  
2 vestments made by the council and the performance of those investments.

3 (7) The Oregon Talent Council, the Oregon Business Development Commission, the  
4 Higher Education Coordinating Commission, the STEM Investment Council, state and local  
5 workforce boards and the Employment Department shall develop agreements to strategically  
6 align the policies and programs of the entities as they relate to the duties of the Oregon  
7 Talent Council.

8 **SECTION 3.** (1) The Oregon Talent Council shall develop a Talent Development Plan. The  
9 plan must include identification of talent issues and trends related to selected Oregon traded  
10 sector and high growth industries that are in strategic alignment with state and local  
11 workforce and economic priorities. The plan must include recommendations to the State  
12 Workforce Investment Board, the STEM Investment Council and the Higher Education Co-  
13 ordinating Commission on training and education enhancements based upon the identified  
14 talent issues and trends.

15 (2) The Oregon Talent Council shall update the plan and the council's recommendations  
16 every biennium.

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

19 **SECTION 4.** (1) There is created within the State Treasury, separate and distinct from  
20 the General Fund, the Oregon Talent Council Fund. Interest earned by the Oregon Talent  
21 Council Fund shall be credited to the fund.

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

23 (a) Amounts donated to the fund;

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

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

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

28 (3) Moneys in the fund are continuously appropriated to the Employment Department for  
29 allocation to the Oregon Talent Council for the purpose of making investments using the  
30 criteria and measurements set forth in section 2 of this 2015 Act.

31 (4) The department may establish accounts and subaccounts within the fund when the  
32 department, in consultation with the council, determines that accounts or subaccounts are  
33 necessary or desirable and may credit any interest or income derived from moneys in the  
34 fund to any account or subaccount in the fund.

35 **SECTION 5.** ORS 351.663 and sections 3, 5, 7, 8, 9 and 10, chapter 85, Oregon Laws 2014,  
36 are repealed.

37 **SECTION 6.** (1) The account established under section 5, chapter 85, Oregon Laws 2014,  
38 for investments in engineering education, within the Oregon Education Investment Fund  
39 established under section 3, chapter 519, Oregon Laws 2011, is abolished.

40 (2) Any moneys remaining in the account on the effective date of this 2015 Act that are  
41 unexpended, unobligated and not subject to any conditions shall be transferred to the Oregon  
42 Talent Council Fund established under section 4 of this 2015 Act.

43 **SECTION 7.** (1) The Engineering and Technology Industry Fund, established under sec-  
44 tion 8, chapter 85, Oregon Laws 2014, for investments in engineering education, is abolished.

45 (2) Any moneys remaining in the fund on the effective date of this 2015 Act that are

1 **unexpended, unobligated and not subject to any conditions shall be transferred to the Oregon**  
2 **Talent Council Fund established under section 4 of this 2015 Act.**

3 **SECTION 8.** ORS 284.711 is amended to read:

4 284.711. (1) The Oregon Innovation Council shall provide advice to the Governor, the Legislative  
5 Assembly, research institutions, public agencies that provide economic development and the private  
6 sector on issues related to:

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

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

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

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

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

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

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

24 *[(3)]* (2) The council, the Oregon Business Development Commission, the State Board of Higher  
25 Education and the office of the State Treasurer shall coordinate policies and programs related to  
26 the duties of the council.

27 *[(4)]* (3) Based on the state plan developed under ORS 284.715 and subject to the approval of the  
28 Oregon Business Development Department, the council may distribute moneys in the Oregon Inno-  
29 vation Fund by grant or loan or pursuant to contracts with research institutions, the private sector  
30 and public entities.

31 *[(5)]* (4) The council may assess and charge fees for making grants or loans under ORS 284.742.

32 **SECTION 9.** ORS 284.706 is amended to read:

33 284.706. (1) There is created the Oregon Innovation Council consisting of the following voting  
34 members:

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

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

39 (c) One member appointed by the Governor who is a representative of an Oregon-based, gener-  
40 ally accredited, not-for-profit private institution of higher education.

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

42 (e) *[A member of the Engineering and Technology Industry Council, appointed by the Engineering*  
43 *and Technology Industry Council.]* **A private sector member of the Oregon Talent Council.**

44 (f) The Director of the Oregon Business Development Department.

45 (g) The executive director of the Higher Education Coordinating Commission.

1 (h) The State Treasurer.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

44 **SECTION 10. There is appropriated to the Employment Department for allocation to the**  
45 **Oregon Talent Council, for the biennium beginning July 1, 2015, out of the General Fund, the**

1 amount of \$15,000,000 for the purpose of carrying out the provisions of sections 1 to 3 of this  
2 2015 Act.

3 SECTION 11. This 2015 Act being necessary for the immediate preservation of the public  
4 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect  
5 on its passage.  
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