



EXECUTIVE ORDER NO. 13-08

CHARTERING PARTNERSHIPS FOR JOB GROWTH AND TALENT DEVELOPMENT

For too many Oregonians, continued economic recovery will not translate into a more prosperous future. Those who worked in low wage jobs even before the recession, those whose middle income jobs have disappeared, and young people who cannot find entry-level jobs are not likely to realize the full potential of a recovering economy. The well-being of our state is in jeopardy if these citizens, many with families to support, are unable to benefit from economic opportunity.

At the same time, there are businesses struggling to find workers with the right skills to support future growth and increase productivity. In the past, a recovering state economy resulted in job growth and reduced unemployment; however, job growth has not kept pace in the current recovery. Changing dynamics in our economy related to jobs, job creation and relationships between employers and employees mean that our traditional approaches to preparing people for and matching them to employment will also have to change.

Despite strong efforts to integrate program services, the outdated state and federal patchwork of programs spread across several agencies that make up the workforce system challenges the efficiency with which we can create solutions for the changing economy. In addition, federal and state funds for workforce programs have been in decline for almost a decade and are not likely to increase, even as our economic challenges continue well past the end of the Great Recession. Reductions in federal program funding, paired with the demands of the new economy, create the urgent need for Oregon to better align its workforce system with changing priorities, integrate more workforce programs, clarify roles and responsibilities and redesign systems. The longer we wait the fewer choices we have.

New workforce solutions cannot be developed by government alone. Businesses, business associations, and economic development organizations across Oregon must be engaged pro-actively to develop solutions that increase employment in small and mid-sized businesses, as well as large companies.

The path forward requires bold partnerships among business, government, labor and the nonprofit sector. Oregon's State and Local Workforce Investment Boards, which are organized as business-led partnerships, provide a "convening table" for labor, economic development, elected officials, education, workforce development and human service providers to create community-based solutions to today's and tomorrow's workforce challenges. The stated mission of these boards is to assure that:



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- Oregonians have the skills they need to fill current and emerging high-wage, high-demand jobs.
- Employers have the skilled workforce they need to remain competitive and contribute to local prosperity.
- The workforce system is aligned, provides integrated services and makes efficient and effective use of resources to achieve better outcomes for businesses and job seekers.

In 2012, Oregon adopted a ten-year strategic plan developed by the Oregon Workforce Investment Board and developed a ten-year budget plan to better align resources, strategies and services for the new economy. This Executive Order initiates a process that will re-charter Oregon's State and Local Workforce Investment Boards to lead efforts to reduce fragmentation and align federal and state programs to better serve Oregon's job seekers and businesses in this new economy.

Re-chartering is based on the following principles:

1. Ultimately all solutions are local. The state sets the vision, invests in outcomes, and supports implementation with policies, resources and accountability structures; locals develop solutions that fit the needs of their communities to achieve the outcomes.
2. Convening tables that fully engage the private sector and attract a wide array of private and public partners and resources to achieve common outcomes are critical to the creation of workforce solutions.
3. Workforce solutions must achieve high value outcomes for any Oregonian who can and wants to work, for businesses, for communities and for the entire state.
4. The challenges of our new economy are urgent and resources are limited. Efficiencies must be found to achieve cost effective solutions that result in more Oregonians able to earn a good living and more businesses able to compete and grow in the new economy.

This Executive Order also charges those state agencies that administer workforce programs to work with the Governor, the Office of the Chief Operating Officer (also known as the Department of Administrative Services), legislators, the State and Local Workforce Investment Boards, and stakeholders to align Oregon's workforce system in light of reduced resources and the changing economy.



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The effort to redesign Oregon's workforce system will complement, be informed by, and benefit from state investments to increase economic growth and reduce poverty, the efforts of Regional Solutions Committees throughout Oregon, and initiatives to expand educational achievement, commonly known as Oregon's 40-40-20 goals.

NOW THEREFORE, IT IS HEREBY DIRECTED AND ORDERED:

1. By June 30, 2015, Local Workforce Investment Boards will be re-chartered to:
 - a. Better direct public workforce investments at the state and local level for talent development, job creation, income progression, business competitiveness, integrated service delivery and expanded opportunities for citizen prosperity;
 - b. Use labor market intelligence to better align 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;
 - c. Expand private-public partnerships with an integrated workforce system to better meet the needs of communities and create solutions to address tomorrow's workforce challenges;
 - d. Partner with the Governor's Regional Solutions Committees to identify and leverage opportunities to expand job creation and incent job growth; and
 - e. Be accountable for workforce system outcomes.
2. As part of the re-chartering process, Local Workforce Investment Boards will become neutral, independent brokers of workforce services, purchasing services from those equipped to deliver the best possible results by July 1, 2015.
3. By December 31, 2013, a process convened by the Governor's Office, staffed by the Office of the Chief Operating Officer, and engaging representatives of State and Local Workforce Investment Boards, State Agencies, Business, Organized Labor, Local Elected Officials and the Legislature will develop specific criteria and mechanisms to re-charter Local Workforce Investment Boards. Local Workforce Investment Boards must comply with the criteria by June 30, 2015.



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4. The State Workforce Investment Board will be re-chartered to serve as independent advisory body to the Governor with designated staff by June 1, 2014 in order to:
 - a. Facilitate the provision of resources to support locally developed workforce solutions, and contingent on budget approvals, shall provide resources to local workforce boards;
 - b. Solicit local recommendations and work with state agencies to increase system alignment;
 - c. Monitor and evaluate the implementation of the strategic plan, making adjustments as needed based on a changing economy; and
 - d. In conjunction with local and statewide business partners, private foundations, and state agencies, the State Workforce Investment Board shall plan a statewide convening of the workforce system, employers and organized labor to report on results of ongoing efforts, examine effective strategies, celebrate success, and consider recommendations for continuing to enhance statewide alignment and innovation of workforce services.

5. By the end of 2013, in preparation for the 2014 Legislative Session, those state agencies that currently administer Oregon's workforce programs, in conjunction with the Office of the Chief Operating Officer, the Governor and the Legislature will develop a plan to better align the administrative infrastructure of the workforce system to support the work of the re-chartered boards. These state agencies will:
 - a. Develop a mechanism for funding the functions of the State and Local Workforce Investment Boards;
 - b. Direct resources to achieve agreed upon state and federal outcomes;
 - c. Align administrative infrastructure and data systems to support the workforce system;
 - d. Work together across programmatic silos to increase the alignment and integration of workforce programs;
 - e. Evaluate the cost-benefit of proposed actions; and
 - f. Develop a transparent and integrated workforce budget by 2015.

6. Publicly funded workforce programs delivered at the state and local level will work with Oregon's State and Local Workforce Investment Boards to avoid unnecessary duplications and make use of labor market intelligence to guide the



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delivery of services to job seekers and businesses and the development of new workforce solutions.

7. The Oregon Workforce Investment Board and the Oregon Education Investment Board will work together to identify ways to achieve common results across education and workforce systems.
8. In the event of a conflict between any provision of state or federal law and this Executive Order, state or federal law will prevail and the remaining terms of this Executive Order shall remain in force and effect.

Done at Salem, Oregon this 25 day of July, 2013.




John A. Kitzhaber, M.D.
GOVERNOR

ATTEST:


Kate Brown
SECRETARY OF STATE