

D R A F T

SUMMARY

Authorizes county governing bodies and small business employers to enter into agreements for reimbursement of portion of wages paid to youth employees. Specifies minimum requirements for terms of agreement.

Establishes First-time Employment Youth Wage Reimbursement Project in Oregon Business Development Department. Authorizes department to award grants to reimburse county governing bodies for reimbursements made under agreements with small business employers for wages paid to youth employees. Directs department to adopt rules to implement project.

Establishes First-time Employment Youth Wage Reimbursement Project Fund. Appropriates moneys to department for purpose of Act.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to youth employment incentives for small businesses; appropriating
3 money; and declaring an emergency.

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

5 **SECTION 1. As used in sections 1 to 5 of this 2014 Act:**

6 (1) **“Agreement” means a first-time employment youth wage**
7 **agreement entered into between a county governing body and a small**
8 **business employer in accordance with section 3 of this 2014 Act.**

9 (2) **“County governing body” means the county court or board of**
10 **county commissioners of a county.**

11 (3) **“Small business employer” means an employer having 35 or**
12 **fewer employees that is located and doing business within the county**
13 **where an agreement under section 3 of this 2014 Act has been or is**
14 **being made with a county governing body.**

15 (4) **“Youth employee” means an individual who:**

1 (a) Is 14 through 19 years of age;

2 (b) Is eligible to work under federal and state labor laws;

3 (c) Has been hired by a small business employer;

4 (d) Has never been employed before within the county where an
5 agreement under section 3 of this 2014 Act has been or is being made
6 between a small business employer and a county governing body; and

7 (e) Is a resident of the county where an agreement under section 3
8 of this 2014 Act has been or is being made between a small business
9 employer and a county governing body.

10 **SECTION 2.** The Legislative Assembly finds that:

11 (1) Oregon youth require meaningful first-time employment oppor-
12 tunities;

13 (2) Current economic conditions make it difficult for youth to find
14 first-time employment;

15 (3) Small businesses should be incentivized to hire youth employees
16 who have never been employed before in the county where the small
17 business is located in order to provide youth employees with first-time
18 employment experience; and

19 (4) First-time youth employment wage agreements will benefit
20 small businesses and local communities, and contribute to regional
21 economic development in this state.

22 **SECTION 3.** (1) A county governing body may enter into a first-time
23 employment youth wage agreement with a small business employer
24 pursuant to which the county will reimburse the small business em-
25 ployer at the rate of two dollars per hour of employment worked by a
26 youth employee for whom an application has been submitted and ap-
27 proved in accordance with this section.

28 (2) The agreement entered into pursuant to subsection (1) of this
29 section shall:

30 (a) Specify that the maximum number of youth employees a small
31 business employer may employ and be reimbursed for is three youth

1 employees at any one time;

2 (b) Provide that the maximum amount of reimbursement per youth
3 employee may not exceed \$1,000;

4 (c) Provide that the maximum amount of reimbursement per small
5 business employer may not exceed \$3,000 per year;

6 (d) Indicate a specific period of time during which reimbursement
7 for each youth employee will be made, not to exceed six months, un-
8 less extended by written agreement of the parties; and

9 (e) Describe the documentation and actions required for the small
10 business employer to obtain reimbursement from the county governing
11 body.

12 (3) A small business employer may apply to obtain reimbursement
13 for youth employees by submitting a completed application in the form
14 and manner required by the county governing body. Upon approval of
15 the application, the county governing body may enter into an agree-
16 ment with the small business employer in accordance with this sec-
17 tion.

18 (4) The county governing body shall make payment of approved re-
19 quests for reimbursement from small business employers within 30
20 days of receipt of the request for reimbursement.

21 SECTION 4. (1) There is established in the Oregon Business Devel-
22 opment Department the First-time Employment Youth Wage Re-
23 imbursement Project.

24 (2) The department may award grants and make expenditures from
25 the First-time Employment Youth Wage Reimbursement Project Fund
26 established under section 5 of this 2014 Act to reimburse a county
27 governing body for all or a portion of the amount of reimbursement
28 that the county governing body pays a small business employer pur-
29 suant to agreements entered into in accordance with section 3 of this
30 2014 Act.

31 (3) The department shall adopt rules to implement the provisions

1 of this section, including but not limited to eligibility standards, re-
2 payment criteria and other requirements as deemed necessary by the
3 department.

4 **SECTION 5.** (1) The First-time Employment Youth Wage Re-
5 imbursement Project Fund is established in the State Treasury, sepa-
6 rate and distinct from the General Fund. Interest earned by the
7 First-time Employment Youth Wage Reimbursement Project Fund
8 shall be credited to the fund.

9 (2) Moneys in the fund consist of:

10 (a) Amounts donated to the fund;

11 (b) Amounts appropriated or otherwise transferred to the fund by
12 the Legislative Assembly;

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

14 (d) Repayment of grants; and

15 (e) Other amounts deposited in the fund from any source.

16 (3) Moneys in the fund are continuously appropriated to the Oregon
17 Business Development Department for the purpose of implementing
18 and administering the provisions of section 4 of this 2014 Act and to
19 pay the administrative costs associated with the fund.

20 **SECTION 6.** There is appropriated to the Oregon Business Devel-
21 opment Department, for the biennium beginning July 1, 2013, out of
22 the General Fund, the amount of \$_____ for the purpose of carrying
23 out the provisions of section 4 of this 2014 Act.

24 **SECTION 7.** This 2014 Act being necessary for the immediate pres-
25 ervation of the public peace, health and safety, an emergency is de-
26 clared to exist, and this 2014 Act takes effect on its passage.

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