

Senate Bill No. 410

Passed the Senate September 10, 2009

Secretary of the Senate

Passed the Assembly September 8, 2009

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2009, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 9600.5, 14000, and 14230 of, and to add Section 14230.7 to, the Unemployment Insurance Code, relating to workforce investment.

LEGISLATIVE COUNSEL'S DIGEST

SB 410, Ducheny. California Workforce Investment Act: federal funding.

(1) The federal Workforce Investment Act of 1998 provides for workforce investment activities, including activities in which states may participate. Existing law contains various programs for job training and employment investment, including work incentive and employment training outreach programs. Existing law establishes local workforce investment boards to implement and administer various workforce training and development programs in the state, and requires those local boards to establish at least one comprehensive one-stop career center in each local workforce investment area. Existing law further declares that it is the intent of the Legislature to deliver comprehensive workforce services to jobseekers, students, and employers at those comprehensive one-stop career centers to, among other things, make job outreach, intake, job search and placement assistance, and other related services available in one location.

This bill would also declare that it is the intent of the Legislature that other intensive services, such as out-of-area job search assistance, literacy activities related to workforce readiness, relocation assistance, internships, and work experience programs also be provided at those one-stop career centers to individuals who have met specified requirements, based on an assessment or individual employment plan. The bill would prescribe eligibility criteria for recipients of financial assistance in the form of needs-related payments, as described, and would require the one-stop career centers, given sufficient resources, to take various actions with respect to the coordination and delivery of supportive services, as described, to individuals who are enrolled in job training programs. The bill also would require local boards to develop a policy on supportive services, as specified. By imposing

new duties on local entities, the bill would impose a state-mandated local program.

(2) Existing law requires the Employment Development Department to report annually to the Governor, the Legislature, and the California Workforce Investment Board, no later than November 30, regarding the training expenditures made by local workforce investment boards in the prior fiscal year, as provided.

This bill would revise the above reporting requirement, as specified.

(3) Existing law establishes the California Workforce Investment Board (CWIB), and requires the CWIB to assist the Governor with promoting the development, oversight, and continuous development of a well-educated and highly skilled workforce, and development of the State Workforce Investment Plan.

This bill would require the CWIB to develop policies, funding recommendations, and strategies that will maximize funding across all workforce programs for developing and enhancing the skills of Californians in order to meet the needs of California's businesses, as specified. The bill would require funding available through the federal American Recovery and Reinvestment Act of 2009 to be for increasing training services, and would require training priorities to be consistent with those identified in that act.

(4) This bill would incorporate additional changes in Section 14230 of the Unemployment Insurance Code made by AB 3 that would become operative if both bills are enacted and this bill is enacted after AB 3.

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares the following:

(a) California's unemployment rate has increased dramatically in recent months, and now stands at a rate of approximately 11.5

percent statewide. Over 45 of California's counties have unemployment rates at or above 10 percent, and in the last year, approximately 650,000 Californians have lost their jobs while the total number of unemployed individuals in the state has risen to over 1.7 million.

(b) Ensuring access to, and increasing the availability of, job training, supportive services needed for unemployed individuals to successfully enter and complete job training programs, and work experience for youth and adults are vital to California's economy and will help to ensure the survival of the state's businesses and industry during challenging times.

(c) Federal funding assistance for employment training is critically needed to put Californians back to work.

(d) Leveraging existing resources, through collaboration among local workforce investment boards, community colleges, adult education programs, including adult basic education, English-as-a-second-language programs, regional occupational programs and centers, and other publicly funded educational institutions, in addition to registered apprenticeship and preapprenticeship programs, is an effective way to increase the number of Californians who have access to job training opportunities.

SEC. 2. Section 9600.5 of the Unemployment Insurance Code is amended to read:

9600.5. The director of the Employment Development Department shall report annually to the Governor, the Legislature, and the California Workforce Investment Board, no later than November 30, regarding the training expenditures made by local workforce investment boards in the prior fiscal year. This shall include funds made available to California through the American Recovery and Reinvestment Act of 2009 (Public Law 111-5). The department shall specify what expenditures qualify as training expenditures, including, but not limited to, the price paid for classroom instruction or other training opportunities, contracted services for customized training and on-the-job training, development of training materials, and services provided in one-stop career centers, such as supportive services, including coaching and case management, that enable a participant to attend and complete training. The annual report shall specify the total amount of federal funding provided to the state and to each of the

local workforce investment boards for the adult and dislocated persons programs and the amount within each program expended for training services. The report shall also include training expenditures incurred by organizations funded by the Governor's 15 percent discretionary fund from the Workforce Investment Act of 1998 (Public Law 105-220).

SEC. 3. Section 14000 of the Unemployment Insurance Code is amended to read:

14000. (a) The Legislature finds and declares that, in order for California to remain prosperous and globally competitive, it needs to have a highly skilled workforce.

(b) The Legislature recognizes all of the following:

(1) California must transform its current job training, job placement, and vocational education programs into an integrated, accessible, and accountable workforce investment system that can effectively serve job seekers, students, and employers.

(2) California's workforce investment system must provide lifelong learning for all Californians, promote self-sufficiency, link education and training to economic development, and prepare California to successfully compete in the global economy.

(3) The programs described in paragraphs (1) and (2) must be accessible to all Californians, including persons with economic, physical, or other barriers to employment.

(c) The California Workforce Investment Board shall develop policies, funding recommendations, and strategies that will maximize funding across all workforce programs for developing and enhancing the skills of Californians in order to meet the needs of California's businesses. To do this, it shall use the following guiding principles:

(1) Investing in regional workforce and economic development strategies to build prosperous communities and competitive industries.

(2) Providing all Californians with access to high-quality postsecondary education and skills training.

(3) Providing working adults with opportunities to move up the skill ladder.

(4) Linking workforce preparation and institutions to create pathways to high wage jobs.

(5) Aligning program goals and measures to achieve a shared vision of California's future and to ensure accountability.

(d) Individuals who are recently laid off from work need to quickly access job training and develop necessary skills to reenter the labor force. It is the intent of the Legislature that local workforce investment boards and community colleges develop innovative strategies to provide training that accommodates the needs of unemployed or underemployed adults, can provide certificates and credentials through flexible schedules, and implement new approaches to delivering job skills training and education.

(e) Priority for funding available through the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) to local workforce investment boards shall be used for increasing training services insofar as is consistent with that act. This funding shall not supplant funds currently being spent on training, nor decrease the leveraging of resources among training institutions and workforce investment boards. Training priorities shall be consistent with those identified in the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), including green jobs and health care.

SEC. 4. Section 14230 of the Unemployment Insurance Code is amended to read:

14230. (a) It is the intent of the Legislature that:

(1) California deliver comprehensive workforce services to jobseekers, students, and employers through a system of one-stop career centers.

(2) Services and resources target high-wage industry sectors with career advancement opportunities.

(3) Universal access to core services shall be available to adult residents regardless of income, education, employment barriers, or other eligibility requirements. Core services shall include, but not be limited to:

(A) Outreach, intake, and orientation to services available through the one-stop delivery system.

(B) Initial assessment of skill levels, aptitudes, abilities, and supportive service needs.

(C) Job search and placement assistance.

(D) Career counseling, where appropriate.

(E) Provision of labor market information.

(F) Provision of program performance and cost information on eligible providers of training services and local area performance measures.

(G) Provision of information on supportive services in the local area.

(H) Provision of information on the filing of claims for unemployment compensation benefits and unemployment compensation disability benefits.

(I) Assistance in establishing eligibility for welfare-to-work activities pursuant to Section 11325.8 of the Welfare and Institutions Code, and financial aid assistance.

(4) State and federally funded workforce education, training, and employment programs shall be integrated in the one-stop delivery system to achieve universal access to the core services described in paragraph (3).

(5) (A) Intensive services shall be available to individuals who have completed at least one core service, have been unable to obtain employment, and who have been determined, by the one-stop operator, as being in need of more intensive services, or who are employed but in need of intensive services to obtain or retain employment to achieve self-sufficiency.

(B) Intensive services may include comprehensive and specialized assessments of skill levels and service needs, including learning disability screening, the development of individual employment plans, counseling, career planning, and short-term prevocational services to prepare an individual for training and employment.

(C) Other intensive services such as out-of-area job search assistance, literacy activities related to workforce readiness, relocation assistance, internships, and work experience programs may be made available to individuals who have met the requirements for intensive services based on an assessment or individual employment plan.

(D) For the purposes of this paragraph, “work experience” means a planned, structured, learning experience that takes place in a workplace for a limited period of time. Work experience may be paid or unpaid, as appropriate. A work experience workplace may be in the private for-profit sector, the nonprofit sector, or the public sector. Labor standards shall apply in any work experience where

an employee-employer relationship, as defined by the Fair Labor Standards Act (29 U.S.C. Sec. 201, et seq.), exists.

(6) Training services shall be made available to individuals who have met the requirements for intensive services, have been unable to obtain or retain employment through these services, and who, after an interview, evaluation, or assessment, are determined to be in need of training, and have selected a program of services directly linked to occupations in demand in the local or regional area. Training services may include:

(A) Occupational skill training including training for nontraditional employment.

(B) On-the-job training.

(C) Programs that combine workplace training with related instruction.

(D) Training programs operated by the private sector.

(E) Skill upgrading and retraining.

(F) Entrepreneurial training.

(G) Job readiness training.

(H) Adult education and literacy activities, including vocational English as a second language, provided in combination with subparagraphs (A) through (G), inclusive.

(I) Preapprenticeship and registered apprenticeship training. For the purposes of this section, entrance into a registered apprenticeship program shall be considered placement into a job.

(J) Customized training conducted by an employer or a group of employers or a labor-management training partnership with a commitment to employ an individual upon completion of the training.

(7) As prescribed in the Workforce Investment Act of 1998, when funds are limited, priority for intensive services and training services shall be given to adult recipients of public assistance and other low-income adults, such as CalWORKs participants.

(b) Each local workforce investment board shall establish at least one full service one-stop career center in the local workforce investment area. Each full service one-stop career center shall have all entities specified in Section 14231 as partners and shall provide jobseekers with integrated employment, education, training, and job search services. Additionally, employers will be provided with access to comprehensive career and labor market information, job placement, economic development information, performance and

program information on service providers, and other such services as the businesses in the community may require.

(c) Local boards may also establish affiliated and specialized centers, as defined in the Workforce Investment Act of 1998, which shall act as portals into the larger local one-stop system, but are not required to have all of the partners specified for full service one-stop centers.

(d) Each local board shall develop a policy for identifying individuals who, because of their skills or experience, should be referred immediately to training services. This policy, along with the methods for referral of individuals between the one-stop operators and the one-stop partners for appropriate services and activities, shall be contained in the memorandum of understanding between the local board and the one-stop partners.

(e) In light of California's diverse population, each one-stop career center should have the capacity to provide the appropriate services to the full range of languages and cultures represented in the community served by the one-stop career center.

SEC. 4.5. Section 14230 of the Unemployment Insurance Code is amended to read:

14230. (a) It is the intent of the Legislature that:

(1) California deliver comprehensive workforce services to jobseekers, students, and employers through a system of one-stop career centers.

(2) Services and resources target high-wage industry sectors with career advancement opportunities.

(3) Universal access to core services be available to adult residents regardless of income, education, employment barriers, or other eligibility requirements. Core services shall include, but not be limited to:

(A) Outreach, intake, and orientation to services available through the one-stop delivery system.

(B) Initial assessment of skill levels, aptitudes, abilities, and supportive service needs.

(C) Job search and placement assistance.

(D) Career counseling, where appropriate.

(E) Provision of labor market information.

(F) Provision of program performance and cost information on eligible providers of training services and local area performance measures.

(G) Provision of information on supportive services in the local area.

(H) Provision of information on the filing of claims for unemployment compensation benefits and unemployment compensation disability benefits.

(I) Assistance in establishing eligibility for welfare-to-work activities pursuant to Section 11325.8 of the Welfare and Institutions Code, and financial aid assistance.

(4) State and federally funded workforce education, training, and employment programs be integrated in the one-stop delivery system to achieve universal access to the core services described in paragraph (3).

(5) (A) Intensive services be available to individuals who have completed at least one core service, have been unable to obtain employment, and who have been determined, by the one-stop operator, as being in need of more intensive services, or who are employed but in need of intensive services to obtain or retain employment to achieve self-sufficiency.

(B) Intensive services may include comprehensive and specialized assessments of skill levels and service needs, including learning disability screening, the development of individual employment plans, counseling, career planning, and short-term prevocational services to prepare an individual for training and employment.

(C) Other intensive services such as out-of-area job search assistance, literacy activities related to workforce readiness, relocation assistance, internships, and work experience programs may be made available to individuals who have met the requirements for intensive services based on an assessment or individual employment plan.

(D) For the purposes of this paragraph, “work experience” means a planned, structured, learning experience that takes place in a workplace for a limited period of time. Work experience may be paid or unpaid, as appropriate. A work experience workplace may be in the private for-profit sector, the nonprofit sector, or the public sector. Labor standards shall apply in any work experience where an employee-employer relationship, as defined by the Fair Labor Standards Act (29 U.S.C. Sec. 201, et seq.) exists.

(6) Training services be made available to individuals who have met the requirements for intensive services, have been unable to

obtain or retain employment through these services, and who, after an interview, evaluation, or assessment, are determined to be in need of training, and have selected a program of services directly linked to occupations in demand in the local or regional area. Training services may include:

(A) Occupational skill training including training for nontraditional employment.

(B) On-the-job training.

(C) Programs that combine workplace training with related instruction.

(D) Training programs operated by the private sector.

(E) Skill upgrading and retraining.

(F) Entrepreneurial training.

(G) Job readiness training.

(H) Adult education and literacy activities, including vocational English as a second language, provided in combination with subparagraphs (A) to (G), inclusive.

(I) Preapprenticeship and registered apprenticeship training. For the purposes of this section, entrance into a registered apprenticeship program shall be considered placement into a job.

(J) Customized training conducted by an employer or a group of employers or a labor-management training partnership with a commitment to employ an individual upon completion of the training.

(K) Entrance into a state approved apprenticeship program shall be considered placement into a job.

(7) As prescribed in the Workforce Investment Act of 1998, when funds are limited, priority for intensive services and training services be given to adult recipients of public assistance and other low-income adults, such as CalWORKs participants.

(b) Each local workforce investment board shall establish at least one full service one-stop career center in the local workforce investment area. Each full service one-stop career center shall have all entities specified in Section 14231 as partners and shall provide jobseekers with integrated employment, education, training, and job search services. Additionally, employers will be provided with access to comprehensive career and labor market information, job placement, economic development information, performance and program information on service providers, and other such services as the businesses in the community may require.

(c) Local boards may also establish affiliated and specialized centers, as defined in the Workforce Investment Act of 1998, which shall act as portals into the larger local one-stop system, but are not required to have all of the partners specified for full service one-stop centers.

(d) Each local board shall develop a policy for identifying individuals who, because of their skills or experience, should be referred immediately to training services. This policy, along with the methods for referral of individuals between the one-stop operators and the one-stop partners for appropriate services and activities, shall be contained in the memorandum of understanding between the local board and the one-stop partners.

(e) In light of California's diverse population, each one-stop career center should have the capacity to provide the appropriate services to the full range of languages and cultures represented in the community served by the one-stop career center.

SEC. 5. Section 14230.7 is added to the Unemployment Insurance Code, to read:

14230.7. (a) (1) One-stop career centers, if given sufficient resources, shall coordinate with training providers and educational institutions and agencies to deliver comprehensive supportive services to individuals enrolled in job training programs. Supportive services may include, but are not limited to, transportation, child care, dependent care, housing, and needs-related payments that are necessary to enable a person to participate in the workforce training and development activities authorized under this division. The provision of needs-related payments that provide financial assistance to participants for the purpose of enabling those individuals to participate in training is one of the supportive services authorized by Section 134(e)(3) of the federal Workforce Investment Act of 1998. Comprehensive supportive services shall only be provided to individuals who are participating in job training programs.

(2) To receive needs-related payments, adult participants shall meet all of the following criteria:

(A) Be unemployed.

(B) Not qualify for, or have ceased qualifying for, unemployment compensation.

(C) Be enrolled in a program of training services.

(3) (A) To receive needs-related payments, a dislocated worker shall meet all of the following criteria:

(i) Be unemployed.

(ii) Not qualify for, or have ceased qualifying for, unemployment compensation or assistance under the federal Trade Assistance Act of 1994 (15 U.S.C. Sec. 6211 et seq.).

(iii) Be enrolled in a program of training services authorized under the federal Workforce Investment Act of 1998 (29 U.S.C. Sec. 2801 et seq.) by the end of the 13th week after the worker's most recent layoff that resulted in a determination of the worker's eligibility as a dislocated worker, or, if later, by the end of the eighth week after the worker is informed that a short-term layoff will exceed six months.

(B) For purposes of this paragraph "dislocated worker" means a dislocated worker as defined in Section 2801(9) of Title 29 of the United States Code.

(4) For purposes of this subdivision, "needs-related payments" includes any financial assistance provided to a participant in a job training program to enable that participant to access supportive services that will facilitate participation in, and completion of a job training program that may include instruction in basic skills, occupational skills development, or other classroom instruction. "Needs related-payments" also includes any cash assistance provided to a participant in a job training program to allow the participant to directly pay for or purchase supportive services.

(b) Local boards shall develop a policy, in consultation with one-stop career center partners and other community service providers, to ensure resource and service coordination in the local workforce area. The policy shall address procedures for the referral of unemployed individuals to providers of supportive services and funding options to cover the cost of providing those services.

(c) Supportive services under this section shall only be provided to individuals who are enrolled in training services, but who are unable to obtain those supportive services from other state programs that offer similar services.

(d) Local boards may establish limits on the provision of supportive services pursuant to this section, including a limit on the maximum amount of funding and maximum length of time for providing support services to eligible participants.

SEC. 6. Section 4.5 of this bill incorporates amendments to Section 14230 of the Unemployment Insurance Code proposed by both this bill and AB 3. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2010, (2) each bill amends Section 14230 of the Unemployment Insurance Code, and (3) this bill is enacted after AB 3, in which case Section 4 of this bill shall not become operative.

SEC. 7. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

Approved _____, 2009

Governor