

**ASSEMBLY BILL**

**No. 1268**

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**Introduced by Assembly Member John A. Pérez  
(Principal coauthor: Assembly Member Muratsuchi)**

February 22, 2013

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An act to add Article 2 (commencing with Section 337.01) to Chapter 2 of Part 1 of Division 1 of, and to repeal Sections 325.5 and 325.6 of, the Unemployment Insurance Code, relating to unemployment insurance, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1268, as introduced, John A. Pérez. Unemployment insurance: veterans' unemployment: Veterans Workforce Development and Employment Office.

Existing law authorizes the Employment Development Department within the Labor and Workforce Development Agency to perform various functions and duties with respect to job creation and retention activities. Existing law requires the department to research the needs of veterans throughout the state and develop a profile of veterans' employment and training needs and to develop a statewide plan for the equitable distribution of employment funds for veterans' employment services. Existing law further requires the department to seek federal funding for these purposes and to submit an annual report to the Legislature, as provided, following any fiscal year in which state funds support the Veterans Employment Training services program. Under existing law, the expense of administration of these programs is paid out of the Unemployment Administration Fund, a continuously appropriated fund.

This bill would establish the Veterans Workforce Development and Employment Office within the Labor and Workforce Development Agency for the purpose of coordinating state veterans workforce development and employment programs and services. The bill would require the office to administer specified state and federal unemployment programs and services for veterans, and would require the office to develop a plan, by May 1, 2014, in collaboration with the department for the transfer of its responsibilities from the department, and to transfer staff from the department to the office according to that plan. The bill would further require the office to research the needs of veterans throughout the state, develop a profile of veterans’ employment and training needs, develop a statewide plan for the equitable distribution of employment funds for veterans’ employment services, and develop a strategy and program for identifying employers and small businesses interested in hiring veterans and establish the means by which appropriate training and placement may occur. The bill would also require the office to seek federal and other funding for these research and development purposes and to submit an annual report to the Legislature, as specified. By authorizing expenditure of money in the Unemployment Administration Fund for a new purpose, the bill would make an appropriation.

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
 State-mandated local program: no.

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

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Many veterans, especially post-9/11 veterans, experience
- 4 higher unemployment rates than the general public.
- 5 (b) California’s veteran employment programs are
- 6 underperforming compared to other states.
- 7 (c) Federal tax credits and other federal initiatives exist for
- 8 veterans and for employers interested in hiring veterans that need
- 9 to be better promoted to encourage their use by an increasing
- 10 number of employers that are interested in hiring veterans.
- 11 (d) The voters’ approval of Proposition 39 at the November 6,
- 12 2012, statewide general election, holds the potential of generating
- 13 significant funding for veteran job training and employment

1 opportunities and, therefore, supports the establishment of an office  
2 within the Labor and Workforce Development Agency.

3 (e) The Veterans Workforce Development and Employment  
4 Office established by this act will coordinate veteran job training  
5 and employment programs, and will furthermore coordinate those  
6 efforts with the work of the Workforce Investment Board, the  
7 Employment Training Panel, and the Employment Development  
8 Department.

9 SEC. 2. Section 325.5 of the Unemployment Insurance Code  
10 is repealed.

11 ~~325.5. The department, in consultation and coordination with  
12 veterans' organizations and veteran service providers, shall do all  
13 of the following:~~

14 ~~(a) Research the needs of veterans throughout the state and  
15 develop a profile of veterans' employment and training needs.~~

16 ~~(b) Develop a statewide plan for the equitable distribution of  
17 employment funds for veterans' employment services.~~

18 ~~(c) Seek federal funding for purposes of subdivision (a).~~

19 SEC. 3. Section 325.6 of the Unemployment Insurance Code  
20 is repealed.

21 ~~325.6. (a) It is the intent of the Legislature that state supported  
22 Veterans Employment Training services meet the same  
23 performance standards as those required by the federal Workforce  
24 Investment Act for services provided to veterans.~~

25 ~~(b) Following any fiscal year in which state funds support the  
26 Veterans Employment Training services program, the Employment  
27 Development Department shall provide an annual report to the  
28 Legislature, on or before November 1, regarding the following  
29 performance measures:~~

30 ~~(1) The number of veterans receiving individualized, case  
31 managed services.~~

32 ~~(2) The number of veterans who receive individualized, case  
33 managed services entering employment.~~

34 ~~(3) The retention rate for veterans who enter employment.~~

35 ~~(4) The average earnings for veterans entering employment.~~

36 SEC. 4. Article 2 (commencing with Section 337.01) is added  
37 to Chapter 2 of Part 1 of Division 1 of the Unemployment  
38 Insurance Code, to read:

1 Article 2. Veterans Workforce Development and Employment  
 2 Office

3  
 4 337.01. For purposes of this article, the following definitions  
 5 apply:

6 (a) “Department” or “EDD” means the Employment  
 7 Development Department.

8 (b) “DVOP” means the Disabled Veterans’ Outreach Program.

9 (c) “LVER program” means the federal Local Veterans’  
 10 Employment Representatives program.

11 (d) “Office” means the Veterans Workforce Development and  
 12 Employment Office, as established under Section 337.05.

13 337.05. The Veterans Workforce Development and  
 14 Employment Office is hereby established within the Labor and  
 15 Workforce Development Agency for the purpose of coordinating  
 16 state veterans workforce development and employment services.  
 17 The office shall do all of the following:

18 (a) Administer the programs and services described in the federal  
 19 Jobs for Veterans State Grant Program, including, but not limited  
 20 to, overseeing the federal LVER program and the DVOP, as  
 21 currently administered by the department.

22 (b) Collaborate with the EDD and develop a plan, on or before  
 23 May 1, 2014, whereby responsibility for the administration of these  
 24 programs shall be transferred from the EDD to the office.

25 (c) Transfer all administrative and support staff responsible for  
 26 the administration of the DVOP and the LVER programs from the  
 27 EDD to the office, in accordance with the plan developed under  
 28 subdivision (b).

29 (d) Coordinate its efforts with the Department of Veterans  
 30 Affairs in this state and the Governor’s Interagency Council on  
 31 Veterans.

32 337.10. The office, in consultation and coordination with  
 33 appropriate state agencies and departments, veterans’ organizations,  
 34 and veterans service providers, shall do all of the following:

35 (a) Research the needs of veterans throughout the state and  
 36 develop a profile of veterans’ employment and training needs.

37 (b) Develop a statewide plan for the equitable distribution of  
 38 employment funds for veterans’ employment services.

39 (c) Develop a strategy and program for identifying both major  
 40 employers and small businesses interested in hiring veterans and

1 establish the means by which any appropriate training and  
2 placement may occur.

3 (d) Seek federal and other funding for purposes of subdivision

4 (a).

5 337.15. (a) It is the intent of the Legislature that  
6 state-supported veterans employment training services meet the  
7 same performance standards as those required by the federal  
8 Workforce Investment Act for services provided to veterans.

9 (b) Notwithstanding Section 10231.5 of the Government Code,  
10 the office shall provide an annual report to the Legislature, on or  
11 before November 1 of each year, regarding the following  
12 performance measures:

13 (1) The number of veterans receiving individualized, case  
14 managed state employment services.

15 (2) The number of veterans who receive individualized, case  
16 managed state employment services entering employment.

17 (3) The retention rate for veterans who enter employment.

18 (4) The average earnings for veterans entering employment.

19 (c) A report submitted pursuant to this section shall be submitted  
20 in compliance with Section 9795 of the Government Code.