

AMENDED IN ASSEMBLY MARCH 29, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2719

Introduced by Assembly Member Eduardo Garcia
(Principal coauthor: Senator Hueso)

February 19, 2016

An act to amend Sections 14005, 14013, 14200, 14221, 14230, ~~14231~~, and 14510 of the Unemployment Insurance Code, relating to workforce development.

LEGISLATIVE COUNSEL'S DIGEST

AB 2719, as amended, Eduardo Garcia. Workforce development: out of school youth.

The federal Workforce Innovation and Opportunity Act of 2014 provides for workforce investment activities, including activities in which states may participate. The California Workforce Innovation and Opportunity Act of 2014 (state act) establishes the California Workforce Development Board, which is responsible for assisting the Governor in the development and continuous improvement of California's workforce investment system. The state act also contains various programs for job training and employment investment, as specified. The state act requires the board to assist the Governor in helping individuals with barriers to employment achieve economic security and upward mobility by implementing policies that encourage the attainment of marketable skills relevant to current labor market trends. The state act defines an individual with employment barriers to include youths who are individuals with disabilities, homeless youths, and youth who are in, or who have aged out of, the foster care system.

This bill would include within the definition of an individual with employment barriers an out of school youth, as defined, would revise the duties of the board regarding out of school youth, as specified, and would define local workforce development system stakeholders, as specified.

Existing law requires the local chief elected officials in a local workforce development area to form, pursuant to specified guidelines, a local workforce development board to, among other things, plan and oversee the workforce development system and develop a comprehensive 4-year local plan. Existing law requires the Governor to establish, through the California Workforce Development Board, standards for certification of high-performance local workforce investment boards, in accordance with specified criteria. ~~Existing law requires each local workforce development board to establish with specified partners at least one full service one-stop career center in the local workforce development area to provide jobseekers with integrated employment, education, training, and job search services. Existing law provides that school districts and county offices of education are eligible to apply to local workforce development boards to provide basic skills training and skills necessary for attaining a secondary school diploma.~~

This bill would revise the criteria to include references to out of school youth, as specified, and require the local plan to include an analysis of education programs available for out of school youth, as specified. ~~The bill would also require local partners of the one-stop center to include programs that serve out of school youth through exclusive partnerships between secondary schools and specified entities or programs.~~ By increasing the duties of local officials, this bill would impose a state-mandated local program. *The bill would instead provide that school districts, county offices of education, and secondary schools that provide instruction exclusively in partnership with specified programs are eligible to apply to local workforce development boards to provide basic skills training and skills necessary for attaining a secondary school diploma, as specified.*

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.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

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

- 1 SECTION 1. Section 14005 of the Unemployment Insurance
2 Code is amended to read:
3 14005. For purposes of this division:
4 (a) “Board” means the California Workforce Development
5 Board.
6 (b) “Agency” means the Labor and Workforce Development
7 Agency.
8 (c) “Career pathways,” “career ladders,” or “career lattices” are
9 an identified series of positions, work experiences, or educational
10 benchmarks or credentials with multiple access points that offer
11 occupational and financial advancement within a specified career
12 field or related fields over time. “Career pathways,” “career
13 ladders,” and “career lattices” offer combined programs of rigorous
14 and high-quality education, training, and other services that do all
15 of the following:
16 (1) Align with the skill needs of industries in the economy of
17 the state or regional economy involved.
18 (2) Prepare an individual to be successful in any of a full range
19 of secondary or postsecondary education options, including
20 apprenticeships registered under the National Apprenticeship Act
21 of 1937 (29 U.S.C. Sec. 50 et seq.), except as in Section 3226 of
22 Title 29 of the United States Code.
23 (3) Include counseling to support an individual in achieving the
24 individual’s education and career goals.
25 (4) Include, as appropriate, education offered concurrently with
26 and in the same context as workforce preparation activities and
27 training for a specific occupation or occupational cluster.
28 (5) Organize education, training, and other services to meet the
29 particular needs of an individual in a manner that accelerates the
30 educational and career advancement of the individual to the extent
31 practicable.
32 (6) Enable an individual to attain a secondary school diploma
33 or its recognized equivalent, and at least one recognized
34 postsecondary credential.

1 (7) Help an individual enter or advance within a specific
2 occupation or occupational cluster.

3 (d) “Cluster-based sector strategies” mean methods of focusing
4 workforce and economic development on those sectors that have
5 demonstrated a capacity for economic growth and job creation in
6 a particular geographic area.

7 (e) “Data driven” means a process of making decisions about
8 investments and policies based on systematic analysis of data,
9 which may include data pertaining to labor markets.

10 (f) “Economic security” means, with respect to a worker, earning
11 a wage sufficient to support a family adequately, and, over time,
12 to save for emergency expenses and adequate retirement income,
13 based on factors such as household size, the cost of living in the
14 worker’s community, and other factors that may vary by region.

15 (g) “Evidence-based” means making use of policy research as
16 a basis for determining best policy practices. Evidence-based
17 policymakers adopt policies that research has shown to produce
18 positive outcomes, in a variety of settings, for a variety of
19 populations over time. Successful, evidence-based programs deliver
20 quantifiable and sustainable results. Evidence-based practices
21 differ from approaches that are based on tradition, belief,
22 convention, or anecdotal evidence.

23 (h) “High-priority occupations” mean occupations that have a
24 significant presence in a targeted industry sector or industry cluster,
25 are in demand, or projected to be in demand, by employers, and
26 pay or lead to payment of a wage that provides economic security.

27 (i) (1) “In-demand industry sector or occupation” means either
28 of the following:

29 (A) An industry sector that has a substantial current or potential
30 impact, including through jobs that lead to economic
31 self-sufficiency and opportunities for advancement, on the state,
32 regional, or local economy, as appropriate, and that contributes to
33 the growth or stability of other supporting businesses, or the growth
34 of other industry sectors.

35 (B) An occupation that currently has or is projected to have a
36 number of positions, including positions that lead to economic
37 self-sufficiency and opportunities for advancement, in an industry
38 sector so as to have a significant impact on the state, regional, or
39 local economy, as appropriate.

1 (2) The determination of whether an industry sector or
2 occupation is “in-demand” under this subdivision shall be made
3 by the board or local board, or through the regional planning
4 process in which local boards participate under the Workforce
5 Innovation and Opportunity Act, as appropriate, using state and
6 regional business and labor market projections, including the use
7 of labor market information.

8 (j) “Individual with employment barriers” means an individual
9 with any characteristic that substantially limits an individual’s
10 ability to obtain employment, including indicators of poor work
11 history, lack of work experience, or access to employment in
12 nontraditional occupations, long-term unemployment, lack of
13 educational or occupational skills attainment, dislocation from
14 high-wage and high-benefit employment, low levels of literacy or
15 English proficiency, disability status, or welfare dependency,
16 including members of all of the following groups:

17 (1) Displaced homemakers.

18 (2) Low-income individuals.

19 (3) Indians, Alaska Natives, and Native Hawaiians, as those
20 terms are defined in Section 3221 of Title 29 of the United States
21 Code.

22 (4) Individuals with disabilities, including youths who are
23 individuals with disabilities.

24 (5) Older individuals.

25 (6) Ex-offenders.

26 (7) Homeless individuals, as defined in Section 14043e-2(6) of
27 Title 42 of the United States Code, or homeless children and
28 youths, as defined in Section 11434a(2) of Title 42 of the United
29 States Code.

30 (8) Youth who are in, or have aged out of, the foster care system.

31 (9) Individuals who are English language learners, individuals
32 who have low levels of literacy, and individuals facing substantial
33 cultural barriers.

34 (10) Eligible migrant and seasonal farmworkers, as defined in
35 Section 3322(i) of Title 29 of the United States Code.

36 (11) Individuals within two years of exhausting lifetime
37 eligibility under Part A of Title IV of the Social Security Act (42
38 U.S.C. Sec. 601 et seq.).

39 (12) Single parents, including single, pregnant women.

40 (13) Long-term unemployed individuals.

1 (14) Out of school youth.

2 (15) Any other groups as the Governor determines to have
3 barriers to employment.

4 (k) “Industry cluster” means a geographic concentration or
5 emerging concentration of interdependent industries with direct
6 service, supplier, and research relationships, or independent
7 industries that share common resources in a given regional
8 economy or labor market. An industry cluster is a group of
9 employers closely linked by common product or services,
10 workforce needs, similar technologies, and supply chains in a given
11 regional economy or labor market.

12 (l) “Industry or sector partnership” means a workforce
13 collaborative, convened or acting in partnership with the board or
14 a local board, that does the following:

15 (1) Organizes key stakeholders in an industry cluster into a
16 working group that focuses on the shared goals and human
17 resources needs of the industry cluster and that includes, at the
18 appropriate stages of development of the partnership:

19 (A) Representatives of multiple businesses or other employers
20 in the industry cluster, including small and medium-sized
21 employers when practicable.

22 (B) One or more representatives of a recognized state labor
23 organization or central labor council, or another labor
24 representative, as appropriate.

25 (C) One or more representatives of an institution of higher
26 education with, or another provider of, education or training
27 programs that support the industry cluster.

28 (2) The workforce collaborative may include representatives of
29 any of the following:

30 (A) State or local government.

31 (B) State or local economic development agencies.

32 (C) State boards or local boards, as appropriate.

33 (D) A state workforce agency or entity providing employment
34 services.

35 (E) Other state or local agencies.

36 (F) Business or trade associations.

37 (G) Economic development organizations.

38 (H) Nonprofit organizations, community-based organizations,
39 or intermediaries.

40 (I) Philanthropic associations.

1 (J) Industry associations.

2 (K) Other organizations, as determined to be necessary by the
3 members comprising the industry sector or partnership.

4 (m) “Industry sector” means those firms that produce similar
5 products or provide similar services using somewhat similar
6 business processes, and are closely linked by workforce needs,
7 within a regional labor market.

8 (n) “Local labor federation” means a central labor council that
9 is an organization of local unions affiliated with the California
10 Labor Federation or a local building and construction trades council
11 affiliated with the State Building and Construction Trades Council
12 of California.

13 (o) “Sector strategies” means methods of prioritizing
14 investments in competitive and emerging industry sectors and
15 industry clusters on the basis of labor market and other economic
16 data indicating strategic growth potential, especially with regard
17 to jobs and income, and exhibit the following characteristics:

18 (1) Focus workforce investment in education and workforce
19 training programs that are likely to lead to jobs providing economic
20 security or to an entry-level job with a well-articulated career
21 pathway into a job providing economic security.

22 (2) Effectively boost labor productivity or reduce business
23 barriers to growth and expansion stemming from workforce supply
24 problems, including skills gaps and occupational shortages by
25 directing resources and making investments to plug skills gaps
26 and provide education and training programs for high-priority
27 occupations.

28 (3) May be implemented using articulated career pathways or
29 lattices and a system of stackable credentials.

30 (4) May target underserved communities, disconnected youths,
31 incumbent workers, and recently separated military veterans.

32 (5) Frequently are implemented using industry or sector
33 partnerships.

34 (6) Typically are implemented at the regional level where sector
35 firms, those employers described in subdivisions (j) and (l), often
36 share a common labor market and supply chains. However, sector
37 strategies may also be implemented at the state or local level
38 depending on sector needs and labor market conditions.

39 (p) “Workforce Innovation and Opportunity Act of 2014” means
40 the federal act enacted as Public Law 113-128.

1 (q) (1) “Earn and learn” includes, but is not limited to, a
2 program that does either of the following:

3 (A) Combines applied learning in a workplace setting with
4 compensation allowing workers or students to gain work experience
5 and secure a wage as they develop skills and competencies directly
6 relevant to the occupation or career for which they are preparing.

7 (B) Brings together classroom instruction with on-the-job
8 training to combine both formal instruction and actual paid work
9 experience.

10 (2) “Earn and learn” programs include, but are not limited to,
11 all of the following:

12 (A) Apprenticeships.

13 (B) Preapprenticeships.

14 (C) Incumbent worker training.

15 (D) Transitional and subsidized employment, particularly for
16 individuals with barriers to employment.

17 (E) Paid internships and externships.

18 (F) Project-based compensated learning.

19 (r) “Out of school youth” means an individual who is 16 years
20 of age or older, but not more than 24 years of age and is a school
21 dropout or is within the age of compulsory school attendance, but
22 has not attended school for at least the most recent 90 days of the
23 school calendar or otherwise meets the definition in Section
24 3164(a)(1)(B) of Title 29 of the United States Code.

25 (s) “Local workforce development system stakeholders” means
26 owners of businesses or other business executives with
27 policymaking or hiring authority, representatives of local area
28 labor organizations, representatives of community-based
29 organizations that have demonstrated experience in addressing the
30 employment needs of individuals with barriers to employment,
31 and representatives of area schools and colleges including, but not
32 limited to schools that serve out of school youth through exclusive
33 partnerships with any of the following:

34 (1) The California Workforce Development Board or local
35 workforce development board.

36 (2) Federally affiliated Youth Build programs.

37 (3) Federal job corps training or instruction provided pursuant
38 to a memorandum of understanding with the federal provider.

1 (4) The California Conservation Corp or local conservation
2 corps certified by the California Conservation Corp pursuant to
3 Section 14406 or 14507.5 of the Public Resources Code.

4 SEC. 2. Section 14013 of the Unemployment Insurance Code
5 is amended to read:

6 14013. The board shall assist the Governor in the following:

7 (a) Promoting the development of a well-educated and highly
8 skilled 21st century workforce.

9 (b) Developing, implementing, and modifying the State Plan.
10 The State Plan shall serve as the comprehensive framework and
11 coordinated plan for the aligned investment of all federal and state
12 workforce training and employment services funding streams and
13 programs. To the extent feasible and when appropriate, the ~~state~~
14 ~~plan~~ *State Plan* should reinforce and work with adult education
15 and career technical education efforts that are responsive to labor
16 market trends.

17 (c) The review of statewide policies, of statewide programs,
18 and of recommendations on actions that should be taken by the
19 state to align workforce, education, training, and employment
20 funding programs in the state in a manner that supports a
21 comprehensive and streamlined workforce development system
22 in the state, including the review and provision of comments on
23 the State Plan, if any, for programs and activities of one-stop
24 partners that are not core programs.

25 (d) Developing and continuously improving the statewide
26 workforce investment system, including:

27 (1) The identification of barriers and means for removing
28 barriers to better coordinate, align, and avoid duplication among
29 the programs and activities carried out through the system.

30 (2) The development of strategies to support the use of career
31 pathways for the purpose of providing individuals, including
32 low-skilled adults, youth, and individuals with barriers to
33 employment, including individuals with disabilities and out of
34 school youth, with workforce investment activities, education, and
35 supportive services to enter or retain employment. To the extent
36 permissible under state and federal laws, these policies and
37 strategies should support linkages between kindergarten and grades
38 1 to 12, inclusive, and community college educational systems in
39 order to help secure educational and career advancement. These
40 policies and strategies may be implemented using a sector strategies

1 framework and should ultimately lead to placement in a job
2 providing economic security or job placement in an entry-level
3 job that has a well-articulated career pathway or career ladder to
4 a job providing economic security.

5 (3) The development of strategies for providing effective
6 outreach to and improved access for individuals, including
7 individuals with barriers to employment, and employers who could
8 benefit from services provided through the workforce development
9 system.

10 (4) The development and expansion of strategies for meeting
11 the needs of employers, workers, and jobseekers, particularly
12 through industry or sector partnerships related to in-demand
13 industry sectors and occupations, including policies targeting
14 resources to competitive and emerging industry sectors and industry
15 clusters that provide economic security and are either high-growth
16 sectors or critical to California's economy, or both. These industry
17 sectors and clusters shall have significant economic impacts on
18 the state and its regional and workforce development needs and
19 have documented career opportunities.

20 (5) Recommending adult and dislocated worker training policies
21 and investments that offer a variety of career opportunities while
22 upgrading the skills of California's workforce. These may include
23 training policies and investments pertaining to any of the following:

24 (A) Occupational skills training, including training for
25 nontraditional employment.

26 (B) On-the-job training.

27 (C) Incumbent worker training in accordance with Section
28 3174(d)(4) of Title 29 of the United States Code.

29 (D) Programs that combine workplace training with related
30 instruction, which may include cooperative education programs.

31 (E) Training programs operated by the private sector.

32 (F) Skill upgrading and retraining.

33 (G) Entrepreneurial training.

34 (H) Transitional jobs in accordance with Section 3174 (d)(5)
35 of Title 29 of the United States Code.

36 (I) Job readiness training provided in combination with any of
37 the services described in subparagraphs (A) to (H), inclusive.

38 (J) Adult education and literacy activities provided in
39 combination with any of the services described in subparagraphs

40 (A) to (G), inclusive.

1 (K) Customized training conducted with a commitment by an
2 employer or group of employers to employ an individual upon
3 successful completion of the training.

4 (L) California high school diplomas from schools accredited
5 by the Western Association of Schools and Colleges.

6 (e) The identification of regions, including planning regions,
7 for the purposes of Section 3121(a) of Title 29 of the United States
8 Code, and the designation of local areas under Section 3121 of
9 Title 29 of the United States Code, after consultation with local
10 boards and chief elected officials.

11 (f) The development and continuous improvement of the
12 one-stop delivery system in local areas, including providing
13 assistance to local boards, one-stop operators, one-stop partners,
14 and providers with planning and delivering services, including
15 training services and supportive services, to support effective
16 delivery of services to workers, job seekers, entrepreneurs, and
17 employers.

18 (g) Recommending strategies to the Governor for strategic
19 training investments of the Governor's 15-percent discretionary
20 funds.

21 (h) Developing strategies to support staff training and awareness
22 across programs supported under the workforce development
23 system.

24 (i) The development and updating of comprehensive state
25 performance accountability measures, including state adjusted
26 levels of performance, to assess the effectiveness of the core
27 programs in the state as required under Section 3141(b) of Title
28 29 of the United States Code. As part of this process the board
29 shall do all of the following:

30 (1) Develop a workforce metrics dashboard, to be updated
31 annually, that measures the state's human capital investments in
32 workforce development to better understand the collective impact
33 of these investments on the labor market. The workforce metrics
34 dashboard shall be produced using existing available data and
35 resources that are currently collected and accessible to state
36 agencies. The board shall convene workforce program partners to
37 develop a standardized set of inputs and outputs for the workforce
38 metrics dashboard. The workforce metrics dashboard shall do all
39 of the following:

1 (A) Provide a status report on credential attainment, including
2 the attainment of California high school diplomas by out of school
3 youth from a school accredited by the Western Association of
4 Schools and Colleges, training completion, degree attainment, and
5 participant earnings from workforce education and training
6 programs. The board shall publish and distribute the final report.

7 (B) Request an opportunity to present relevant portions of the
8 final report, including summary data and performance metrics, at
9 least once a calendar year to the State Board of Education and the
10 California Community College Board.

11 (C) Provide demographic breakdowns, including, to the extent
12 possible, race, ethnicity, age, gender, veteran status, wage and
13 credential or degree outcomes, and information on workforce
14 outcomes in different industry sectors.

15 (D) Measure, at a minimum and to the extent feasible with
16 existing resources, the performance of the following workforce
17 programs: community college career technical education, the
18 Employment Training Panel, Title I and Title II of the federal
19 Workforce Investment Act of 1998, Trade Adjustment Assistance,
20 and state apprenticeship programs.

21 (E) Measure participant earnings in California, and to the extent
22 feasible, in other states. The Employment Development Department
23 shall assist the board by calculating aggregated participant earnings
24 using unemployment insurance wage records, without violating
25 any applicable confidentiality requirements.

26 (2) The State Department of Education is hereby authorized to
27 collect the social security numbers of adults participating in adult
28 education programs so that accurate participation in those programs
29 can be represented in the report card. However, an individual shall
30 not be denied program participation if he or she refuses to provide
31 a social security number. The State Department of Education shall
32 keep this information confidential and shall only use this
33 information for tracking purposes, in compliance with all applicable
34 state and federal law.

35 (3) (A) Participating workforce programs, as specified in
36 subparagraph (D) of paragraph (1), shall provide participant data
37 in a standardized format to the Employment Development
38 Department.

39 (B) The Employment Development Department shall aggregate
40 data provided by participating workforce programs and shall report

1 the data, organized by demographics, earnings, and industry of
2 employment, to the board to assist the board in producing the
3 annual workforce metrics dashboard.

4 (j) The identification and dissemination of information on best
5 practices, including best practices for all of the following:

6 (1) The effective operation of one-stop centers, relating to the
7 use of business outreach, partnerships, and service delivery
8 strategies, including strategies for serving individuals with barriers
9 to employment.

10 (2) The development of effective local boards, which may
11 include information on factors that contribute to enabling local
12 boards to exceed negotiated local levels of performance, sustain
13 fiscal integrity, and achieve other measures of effectiveness.

14 (3) Effective training programs that respond to real-time labor
15 market analysis, that effectively use direct assessment and prior
16 learning assessment to measure an individual's prior knowledge,
17 skills, competencies, and experiences, and that evaluate such skills,
18 and competencies for adaptability, to support efficient placement
19 into employment or career pathways.

20 (k) The development and review of statewide policies affecting
21 the coordinated provision of services through the state's one-stop
22 delivery system described in Section 3151(e) of Title 29 of the
23 United States Code, including the development of all of the
24 following:

25 (1) Objective criteria and procedures for use by local boards in
26 assessing the effectiveness and continuous improvement of
27 one-stop centers described in Section 3151(e) of Title 29 of the
28 United States Code.

29 (2) Guidance for the allocation of one-stop center infrastructure
30 funds under Section 3151(h) of Title 29 of the United States Code.

31 (3) Policies relating to the appropriate roles and contributions
32 of entities carrying out one-stop partner programs within the
33 one-stop delivery system, including approaches to facilitating
34 equitable and efficient cost allocation in such a system.

35 (l) The development of strategies for technological
36 improvements to facilitate access to, and improve the quality of,
37 services and activities provided through the one-stop delivery
38 system, including such improvements to all of the following:

1 (1) Enhance digital literacy skills, as defined in Section 9101
2 of Title 20 of the United States Code, referred to in this division
3 as “digital literacy skills.”

4 (2) Accelerate the acquisition of skills and recognized
5 postsecondary credentials by participants.

6 (3) Strengthen the professional development of providers and
7 workforce professionals.

8 (4) Ensure the technology is accessible to individuals with
9 disabilities and individuals residing in remote areas.

10 (m) The development of strategies for aligning technology and
11 data systems across one-stop partner programs to enhance service
12 delivery and improve efficiencies in reporting on performance
13 accountability measures, including the design and implementation
14 of common intake, data collection, case management information,
15 and performance accountability measurement and reporting
16 processes and the incorporation of local input into such design and
17 implementation, to improve coordination of services across
18 one-stop partner programs.

19 (n) The development of allocation formulas for the distribution
20 of funds for employment and training activities for adults, and
21 youth workforce investment activities, to local areas as permitted
22 under Sections 3163(b)(3) and 3173(b)(3) of Title 29 of the United
23 States Code.

24 (o) The preparation of the annual reports described in paragraphs
25 (1) and (2) of Section 3141(d) of Title 29 of the United States
26 Code.

27 (p) The development of the statewide workforce and labor
28 market information system described in Section 491-2(e) of Title
29 29 of the United States Code.

30 (q) The development of other policies as may promote statewide
31 objectives for, and enhance the performance of, the workforce
32 development system in the state.

33 (r) Helping individuals with barriers to employment, including
34 low-skill, low-wage workers, the long-term unemployed, and
35 members of single-parent households, achieve economic security
36 and upward mobility by implementing policies that encourage the
37 attainment of marketable skills relevant to current labor market
38 trends.

39 SEC. 3. Section 14200 of the Unemployment Insurance Code
40 is amended to read:

1 14200. (a) The local chief elected officials in a local workforce
2 development area shall form, pursuant to guidelines established
3 by the Governor and the board, a local workforce development
4 board to plan and oversee the workforce investment system.

5 (b) The Governor shall periodically certify one local board for
6 each local area in the state, following the requirements of the
7 federal Workforce Innovation and Opportunity Act of 2014.

8 (c) The Governor shall establish, through the California
9 Workforce Development Board, standards for certification of
10 high-performance local workforce development boards. The
11 California Workforce Development Board shall, in consultation
12 with representatives from local workforce development boards,
13 initiate a stakeholder process to determine the appropriate
14 measurable metrics and standards for high-performance
15 certification. These standards shall be implemented on or before
16 January 1, 2013, and the first certification of high-performance
17 boards shall occur on or before July 1, 2013. Certification and
18 recertification of each high-performance local workforce
19 development board shall occur thereafter midway through the
20 implementation of the local and regional plans required by the
21 Workforce Innovation and Opportunity Act. In order to meet the
22 standards for certification, a high-performance local workforce
23 development board shall do all of the following:

24 (1) Consistently meet or exceed negotiated performance goals
25 for all of the measures in each of the three federal Workforce
26 Innovation and Opportunity Act of 2014 customer groups, which
27 consist of adults, dislocated workers, and youth, including out of
28 school youth.

29 (2) Consistently meet the statutory requirements of this division.

30 (3) Develop and implement local policies and a local strategic
31 plan that meets all of the following requirements:

32 (A) Meets all local and regional planning requirements specified
33 under the federal Workforce Innovation and Development Act of
34 2014.

35 (B) Is consistent with the California Workforce Development
36 Board State Plan.

37 (C) Describes the actions that the board shall take to implement
38 local policies in furtherance of its goals.

1 (D) Serves as a written account of intended future courses of
2 action aimed at achieving the specific goals of the local and state
3 board within a specific timeframe.

4 (E) Explains what needs to be done, by whom, and when each
5 action is required to occur in order to meet those goals.

6 (4) Demonstrate that the local planning process involves key
7 stakeholders, including the major employers and industry groups
8 in the relevant regional economy and organized labor.

9 (5) Demonstrate that the local planning process takes into
10 account the entire workforce training pipeline for the relevant
11 regional economy, including schools operating with Department
12 of Labor partners and other partners in K–12 education, career
13 technical education, the community college system, other
14 postsecondary institutions, and other local workforce development
15 areas operating in a relevant regional economy.

16 (6) Demonstrate that the local planning process and plan are
17 data driven, and that policy decisions at the local level are evidence
18 based. Each high-performance local workforce development board
19 shall use labor market data to develop and implement the local
20 plan, taking care to steer resources into programs and services that
21 are relevant to the needs of each workforce development area's
22 relevant regional labor market and high-wage industry sectors.
23 Local workforce development areas shall demonstrate an
24 evidence-based approach to policymaking by establishing
25 performance benchmarks and targets to measure progress toward
26 local goals and objectives.

27 (7) Demonstrate investment in workforce initiatives, and,
28 specifically, training programs that promote skills development
29 and career ladders relevant to the needs of each workforce
30 investment area's regional labor market and high-wage industry
31 sectors.

32 (8) Establish a youth strategy aligned with the needs of each
33 workforce investment area's regional labor market and high-wage
34 industry sectors. This strategy shall also address workforce
35 preparation for out of school youth and other individuals facing
36 barriers to employment.

37 (9) Establish a business service plan that integrates local
38 business involvement with workforce initiatives. This plan at a
39 minimum shall include all of the following:

1 (A) Efforts to partner with businesses to identify the workforce
2 training and educational barriers to attract jobs in the relevant
3 regional economy, existing skill gaps reducing the competitiveness
4 of local businesses in the relevant regional economies, and potential
5 emerging industries that would likely contribute to job growth in
6 the relevant regional economy if investments were made for
7 training and educational programs.

8 (B) An electronic system for both businesses and job seekers
9 to communicate about job opportunities.

10 (C) A subcommittee of the local workforce development board
11 that further develops and makes recommendations for the business
12 service plan for each local workforce development board in an
13 effort to increase employer involvement in the activities of the
14 local workforce development board. The subcommittee members
15 should be comprised of business representatives on the local
16 workforce development board who represent both the leading
17 industries and employers in the relevant regional economy and
18 potential emerging sectors that have significant potential to
19 contribute to job growth in the relevant regional economy if
20 investments were made for training and educational programs.

21 (d) The Governor and the Legislature, as part of the annual
22 budget process, in consultation with the California Workforce
23 Development Board, shall annually reserve a portion of the
24 15-percent discretionary fund made available pursuant to the
25 federal Workforce Innovation and Opportunity Act of 2014 for
26 the purpose of providing performance incentives to
27 high-performance local workforce development boards. The
28 remaining discretionary funds shall continue to be available for
29 other discretionary purposes as provided for in the federal
30 Workforce Innovation and Opportunity Act of 2014.

31 (e) Only a workforce development board that is certified as a
32 high-performance local workforce development board by the
33 California Workforce Development Board shall be eligible to
34 receive any incentive money reserved for high-performance local
35 workforce development boards, as described in subdivision (d).
36 A board that is not certified as a high-performance local workforce
37 development board shall not receive any portion of the money
38 reserved for high-performance local workforce development
39 boards, as described in subdivision (d).

1 (f) The California Workforce Development Board shall establish
2 a policy for the allocation of incentive moneys to high-performance
3 local workforce development boards.

4 (g) To the extent permitted by the Workforce Innovation and
5 Opportunity Act of 2014, the California Workforce Development
6 Board may consider the utilization of incentive grants, or direct
7 assistance, or both, to local workforce development boards for the
8 purposes of this section.

9 (h) There shall not be a requirement to set aside federal
10 Workforce Innovation and Opportunity Act of 2014 funds for the
11 purposes of subdivision (d), (e), (f), or (g) in years when the federal
12 government significantly reduces the share of federal Workforce
13 Innovation and Opportunity Act of 2014 funds appropriated to the
14 state for statewide discretionary purposes below the federal
15 statutory amount of 15 percent.

16 SEC. 4. Section 14221 of the Unemployment Insurance Code
17 is amended to read:

18 14221. The local plan shall include all of the following:

19 (a) A description of the strategic planning elements consisting
20 of each of the following:

21 (1) An analysis of the regional economic conditions, including,
22 existing and emerging in-demand industry sectors and occupations
23 and the employment needs of employers in those industry sectors
24 and occupations.

25 (2) An analysis of the knowledge and skills needed to meet the
26 employment needs of the employers in the region, including
27 employment needs in in-demand industry sectors and occupations.

28 (3) An analysis of the workforce in the region, including current
29 labor force employment and unemployment data, and information
30 on labor market trends, and the educational and skill levels of the
31 workforce in the region, including individuals with barriers to
32 employment.

33 (4) An analysis of the workforce development activities,
34 including education and training, in the region, including an
35 analysis of the strengths and weaknesses of such services, and the
36 capacity to provide such services, to address the identified
37 education and skill needs of the workforce and the employment
38 needs of employers in the region.

39 (5) An analysis of education programs available to out of school
40 youth to increase learning gains and earn a diploma from a high

1 school accredited by the Western Association of Schools and
2 Colleges in partnership with one-stop partners and other core
3 programs.

4 (6) A description of the local board's strategic vision and goals
5 for preparing an educated and skilled workforce, including youth
6 and individuals with barriers to employment, including goals
7 relating to the performance accountability measures based on
8 primary indicators of performance described in Section
9 3141(b)(2)(A) of Title 29 of the United States Code in order to
10 support regional economic growth and economic self-sufficiency.

11 (7) Taking into account analyses described in paragraphs (1) to
12 (5), inclusive, a strategy to work with the entities that carry out
13 the core programs to align resources available to the local area, to
14 achieve the strategic vision and goals described in paragraph (6).

15 (b) A description of the workforce development system in the
16 local area that identifies the programs that are included in that
17 system and how the local board will work with the entities carrying
18 out core programs and other workforce development programs to
19 support alignment to provide services, including programs of study
20 authorized under the Carl D. Perkins Career and Technical
21 Education Act of 2006 (20 U.S.C. 2301 et seq.), that support the
22 strategy identified in the State Plan under Section 3112(b)(1)(E)
23 of the Title 29 of the United States Code.

24 (c) A description of how the local board, working with the
25 entities carrying out core programs, will expand access to
26 employment, training, education, and supportive services for
27 eligible individuals, particularly eligible individuals with barriers
28 to employment, including how the local board will facilitate the
29 development of career pathways and co-enrollment, as appropriate,
30 in core programs, and improve access to activities leading to a
31 recognized postsecondary credential, including a credential that
32 is an industry-recognized certificate or certification, portable, and
33 stackable.

34 (d) A description of the strategies and services that will be used
35 in the local area in order to facilitate engagement of employers,
36 including small employers and employers in in-demand industry
37 sectors and occupations, in workforce development programs,
38 support a local workforce development system that meets the needs
39 of businesses in the local area, better coordinate workforce
40 development programs and economic development, and strengthen

1 linkages between the one-stop delivery system and unemployment
2 insurance programs. This may include the implementation of
3 initiatives such as incumbent worker training programs, on-the-job
4 training programs, customized training programs, industry and
5 sector strategies, career pathways initiatives, utilization of effective
6 business intermediaries, and other business services and strategies,
7 designed to meet the needs of employers in the corresponding
8 region in support of the strategy described in paragraph (5) of
9 subdivision (a).

10 (e) A description of how the local board will coordinate
11 workforce investment activities carried out in the local area with
12 economic development activities carried out in the region in which
13 the local area is located, or planning region, and promote
14 entrepreneurial skills training and microenterprise services.

15 (f) A description of the one-stop delivery system in the local
16 area, including all of the following:

17 (1) A description of how the local board will ensure the
18 continuous improvement of eligible providers of services through
19 the system and ensure that such providers meet the employment
20 needs of local employers, and workers and jobseekers.

21 (2) A description of how the local board will facilitate access
22 to services provided through the one-stop delivery system,
23 including in remote areas, through the use of technology and
24 through other means.

25 (3) A description of how entities within the one-stop delivery
26 system, including one-stop operators and the one-stop partners,
27 will comply with Section 3248 of Title 29 of the United States
28 Code, if applicable, and applicable provisions of the Americans
29 with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.)
30 regarding the physical and programmatic accessibility of facilities,
31 programs and services, technology, and materials for individuals
32 with disabilities, including providing staff training and support for
33 addressing the needs of individuals with disabilities.

34 (4) A description of the roles and resource contributions of the
35 one-stop partners.

36 (g) A description and assessment of the type and availability of
37 adult and dislocated worker employment and training activities in
38 the local area.

39 (h) A description of how the local board will coordinate
40 workforce investment activities carried out in the local area with

1 statewide rapid response activities, as described in Section
2 3174(a)(2)(A) of Title 29 of the United States Code.

3 (i) A description and assessment of the type and availability of
4 youth workforce investment activities in the local area, including
5 activities for youth who are individuals with disabilities, which
6 description and assessment shall include an identification of
7 successful models of such youth workforce investment activities.

8 (j) A description of how the local board will coordinate
9 education and workforce investment activities carried out in the
10 local area with relevant secondary and postsecondary education
11 programs and activities to coordinate strategies, enhance services,
12 and avoid duplication of services.

13 (k) A description of how the local board will coordinate
14 workforce investment activities carried out under this article in
15 the local area with the provision of transportation, including public
16 transportation, and other appropriate supportive services in the
17 local area.

18 (l) A description of plans and strategies for, and assurances
19 concerning, maximizing coordination of services provided by the
20 state employment service under the Wagner-Peyser Act (29 U.S.C.
21 Sec. 49 et seq.) and services provided in the local area through the
22 one-stop delivery system, to improve service delivery and avoid
23 duplication of services.

24 (m) A description of how the local board will coordinate
25 workforce investment activities carried out in the local area with
26 the provision of adult education and literacy activities in the local
27 area, including a description of how the local board will carry out,
28 consistent with subparagraphs (A) and (B)(i) of Section
29 3122(d)(11) of Title 29 of the United States Code and Section
30 3322 of Title 29 of the United States Code, the review of local
31 applications.

32 (n) A description of the replicated cooperative agreements, as
33 defined in Section 3122(d)(11) of Title 29 of the United States
34 Code between the local board or other local entities described in
35 Section 101(a)(11)(B) of the Rehabilitation Act of 1973 (29 U.S.C.
36 Sec. 721(a)(11)(B)) and the local office of a designated state agency
37 or designated state unit administering programs carried out under
38 Title I of that act, other than Section 112 or Part C of that Title (29
39 U.S.C. Secs. 732 and 741) and subject to Section 3151(f) of Title
40 29 of the United States Code, in accordance with Section

1 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. Sec.
 2 721(a)(11)) with respect to efforts that will enhance the provision
 3 of services to individuals with disabilities and to other individuals,
 4 such as cross training of staff, technical assistance, use and sharing
 5 of information, cooperative efforts with employers, and other
 6 efforts at cooperation, collaboration, and coordination.

7 (o) An identification of the entity responsible for the disbursal
 8 of grant funds described in Section 3122(d)(12)(B)(i)(III) of Title
 9 29 of the United States Code, as determined by the chief elected
 10 official or the Governor under Section 3122(d)(12)(B)(i) of Title
 11 29 of the United States Code.

12 (p) A description of the competitive process to be used to award
 13 the subgrants and contracts in the local area for activities carried
 14 out pursuant to this act.

15 (q) A description of the local levels of performance negotiated
 16 with the Governor and chief elected official pursuant to Section
 17 3141(c) of Title 29 of the United States Code, to be used to measure
 18 the performance of the local area and to be used by the local board
 19 for measuring the performance of the local fiscal agent, where
 20 appropriate, eligible providers, and the one-stop delivery system,
 21 in the local area.

22 (r) A description of the actions the local board will take toward
 23 becoming or remaining a high-performing board, consistent with
 24 the factors developed by the board pursuant to Section 3111(d)(6)
 25 of Title 29 of the United States Code. This federal requirement is
 26 separate and apart from state standards pertaining to the
 27 certification of high-performance local workforce development
 28 boards.

29 (s) A description of how training services will be provided in
 30 accordance with Section 3174(c)(3)(G) of Title 29 of the United
 31 States Code, including, if contracts for the training services will
 32 be used, how the use of such contracts will be coordinated with
 33 the use of individual training accounts and how the local board
 34 will ensure informed customer choice in the selection of training
 35 programs regardless of how the training services are to be provided.

36 (t) A description of the process used by the local board,
 37 consistent with subsection (d), to provide an opportunity for public
 38 comment, including comment by representatives of businesses and
 39 comment by representatives of labor organizations, and input into
 40 the development of the local plan, prior to submission of the plan.

1 (u) A description of how one-stop centers are implementing and
2 transitioning to an integrated, technology-enabled intake and case
3 management information system for programs carried out under
4 this act and programs carried out by one-stop partners.

5 (v) Any other information as the Governor may require.

6 SEC. 5. Section 14230 of the Unemployment Insurance Code
7 is amended to read:

8 14230. (a) It is the intent of the Legislature that:

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

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

14 (3) Universal access to career services shall be available to adult
15 residents regardless of income, education, employment barriers,
16 or other eligibility requirements. Career services shall include, but
17 not be limited to:

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

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

22 (C) Job search and placement assistance.

23 (D) Career counseling, where appropriate.

24 (E) Provision of labor market information.

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

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

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

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

36 (J) Comprehensive and specialized assessments of skill levels
37 and service needs, including learning disability screening.

38 (K) Development of individual employment plans.

39 (L) Counseling.

40 (M) Career planning.

- 1 (N) Short-term prevocational services to prepare an individual
- 2 for training or employment.
- 3 (4) State and federally funded workforce education, training,
- 4 and employment programs shall be integrated in the one-stop
- 5 delivery system to achieve universal access to the career services
- 6 described in paragraph (3).
- 7 (5) Training services shall be made available to individuals who
- 8 have met the requirements for career services, have been unable
- 9 to obtain or retain employment through career services, are in need
- 10 of training services to obtain or retain employment that leads to
- 11 economic self-sufficiency or wages comparable to, or higher than,
- 12 wages from previous employment, have the skills and qualifications
- 13 to successfully participate in the training, and have selected a
- 14 program of services directly linked to occupations in demand in
- 15 the local or regional area. Training services may include:
- 16 (A) Occupational skill training including training for
- 17 nontraditional employment.
- 18 (B) On-the-job training.
- 19 (C) Programs that combine workplace training with related
- 20 instruction.
- 21 (D) Training programs operated by the private sector.
- 22 (E) Skill upgrading and retraining.
- 23 (F) Entrepreneurial training.
- 24 (G) Incumbent worker training, in accordance with Section
- 25 134(d)(4) of the Workforce Innovation and Opportunity Act.
- 26 (H) Transitional jobs, in accordance with Section 134(d)(5) of
- 27 the Workforce Innovation and Opportunity Act.
- 28 (I) Job readiness training, provided in combination with any
- 29 service under subparagraphs (A) to (H), inclusive.
- 30 (J) Adult education and literacy activities, including vocational
- 31 English as a second language, provided in combination with
- 32 subparagraphs (A) through (G), inclusive.
- 33 (K) Customized training conducted by an employer or a group
- 34 of employers or a labor-management training partnership with a
- 35 commitment to employ an individual upon completion of the
- 36 training.
- 37 (6) As prescribed in the Workforce Innovation and Opportunity
- 38 Act, adult recipients of public assistance, other low-income adults,
- 39 and individuals who are basic skills deficient, including out of
- 40 school youth, shall be given priority for training services and career

1 services described in Section 134(d)(2)(A)(xii) of the Workforce
2 Innovation and Opportunity Act.

3 (b) Each local workforce development board shall establish at
4 least one full service one-stop career center in the local workforce
5 development area. Each full service one-stop career center shall
6 have all entities required to be partners in Section 3151 of Title
7 29 of the United States Code as partners and shall provide
8 jobseekers with integrated employment, education, training, and
9 job search services. Additionally, employers will be provided with
10 access to comprehensive career and labor market information, job
11 placement, economic development information, performance and
12 program information on service providers, and other such services
13 as the businesses in the community may require.

14 (c) Local boards may also establish affiliated and specialized
15 centers, as defined in the Workforce Innovation and Opportunity
16 Act of 2014, which shall act as portals into the larger local one-stop
17 system, but are not required to have all of the partners specified
18 for full service one-stop centers.

19 (d) Each local board shall develop a policy for identifying
20 individuals who, because of their skills or experience, should be
21 referred immediately to training services. To the extent permitted
22 under the Workforce Innovation and Opportunity Act of 2014, this
23 policy, along with the methods for referral of individuals between
24 the one-stop operators and the one-stop partners for appropriate
25 services and activities, shall be contained in the memorandum of
26 understanding between the local board and the one-stop partners.

27 (e) The California Workforce Development Board and each
28 local board shall ensure that programs and services funded by the
29 Workforce Innovation and Opportunity Act of 2014 and directed
30 to apprenticeable occupations, including preapprenticeship training,
31 are conducted, to the maximum extent feasible, in coordination
32 with one or more apprenticeship programs approved by the
33 Division of Apprenticeship Standards for the occupation and
34 geographic area. The California Workforce Development Board
35 and each local board shall also develop a policy of fostering
36 collaboration between community colleges and approved
37 apprenticeship programs in the geographic area to provide
38 preapprenticeship training, apprenticeship training, and continuing
39 education in apprenticeable occupations through the approved
40 apprenticeship programs.

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

5 ~~SEC. 6. Section 14231 of the Unemployment Insurance Code~~
6 ~~is amended to read:~~

7 ~~14231. (a) The local providers of the following programs or~~
8 ~~activities shall be required partners in the local one-stop system:~~

9 ~~(1) Programs authorized under Title I of the Workforce~~
10 ~~Innovation and Opportunity Act.~~

11 ~~(2) Programs authorized under the Wagner-Peyser Act (29~~
12 ~~U.S.C. Sec. 49 et seq.).~~

13 ~~(3) Adult education and literacy activities authorized under Title~~
14 ~~H of the Workforce Innovation and Opportunity Act.~~

15 ~~(4) Programs authorized under Title I of the Rehabilitation Act~~
16 ~~of 1973 (29 U.S.C. Sec. 720 et seq.) other than Section 112 or Part~~
17 ~~C of the act (29 U.S.C. Sec. 732 and 741).~~

18 ~~(5) Activities authorized under Title V of the Older Americans~~
19 ~~Act of 1965 (42 U.S.C. Sec. 3056 et seq.).~~

20 ~~(6) Career and technical education programs at the~~
21 ~~postsecondary level authorized under the Carl D. Perkins Career~~
22 ~~and Technical Education Act of 2006 (20 U.S.C. Sec. 2301 et seq.).~~

23 ~~(7) Activities authorized under Chapter 2 of Title II of the Trade~~
24 ~~Act of 1974 (19 U.S.C. Sec. 2271 et seq.).~~

25 ~~(8) Activities authorized under Chapter 41 (commencing with~~
26 ~~Section 4100) of Title 38 of the United States Code.~~

27 ~~(9) Employment and training activities carried out under the~~
28 ~~Community Services Block Grant Act (42 U.S.C. Sec. 9901 et~~
29 ~~seq.).~~

30 ~~(10) Employment and training activities carried out by the~~
31 ~~Department of Housing and Urban Development.~~

32 ~~(11) Programs authorized by this code, in accordance with~~
33 ~~applicable federal law.~~

34 ~~(12) Programs authorized under Section 212 of the Second~~
35 ~~Chance Act of 2007 (42 U.S.C. Sec. 17532).~~

36 ~~(13) Programs authorized under Part A of Title IV of the Social~~
37 ~~Security Act (42 U.S.C. Sec. 601 et seq.).~~

38 ~~(14) Programs that serve out of school youth through exclusive~~
39 ~~partnerships between secondary schools and any of the following:~~

1 ~~(A) The California Workforce Development Board or local~~
2 ~~workforce development board.~~

3 ~~(B) Federally affiliated Youth Build programs.~~

4 ~~(C) Federal job corps training or instruction provided pursuant~~
5 ~~to a memorandum of understanding with the federal provider.~~

6 ~~(D) The California Conservation Corp or local conservation~~
7 ~~corps certified by the California Conservation Corp pursuant to~~
8 ~~Section 14406 or 14507.5 of the Public Resources Code.~~

9 ~~(b) Community-based organizations that provide career services~~
10 ~~as described in subparagraphs (J) to (N), inclusive, of paragraph~~
11 ~~(1) of subdivision (a) of Section 14230, shall be encouraged to be~~
12 ~~one-stop partners.~~

13 ~~SEC. 7.~~

14 *SEC. 6.* Section 14510 of the Unemployment Insurance Code
15 is amended to read:

16 14510. (a) To the extent permitted by federal law, school
17 districts, county offices of education, and secondary schools that
18 provide instruction exclusively in partnership with any of the
19 entities or programs described in ~~paragraph (14) of subdivision~~
20 ~~(a) of Section 14231~~, (b) are eligible to apply to local workforce
21 development boards to provide basic skills training and skills
22 necessary for attaining a secondary school diploma. However, the
23 boards shall prioritize ~~funding for basic skills training and skills~~
24 ~~necessary for attaining~~ *programs that specialize in* a secondary
25 school diploma from a school accredited by the Western
26 Association of Schools and Colleges.

27 (b) Pursuant to subdivision (a), entities or programs include
28 programs that serve out of school youth through exclusive
29 partnerships between secondary schools and any of the following:

30 (1) *The California Workforce Development Board or local*
31 *workforce development board.*

32 (2) *Federally affiliated Youth Build programs.*

33 (3) *Federal job corps training or instruction provided pursuant*
34 *to a memorandum of understanding with the federal provider.*

35 (4) *The California Conservation Corps or local conservation*
36 *corps certified by the California Conservation Corps pursuant to*
37 *Section 14406 or 14507.5 of the Public Resources Code.*

38 ~~SEC. 8.~~

39 *SEC. 7.* If the Commission on State Mandates determines that
40 this act contains costs mandated by the state, reimbursement to

- 1 local agencies and school districts for those costs shall be made
- 2 pursuant to Part 7 (commencing with Section 17500) of Division
- 3 4 of Title 2 of the Government Code.

O