

AMENDED IN ASSEMBLY APRIL 12, 2016

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, 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~~ *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~~ *out-of-school* youth, as defined, would revise the duties of the board regarding ~~out-of-school~~ *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 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~~ *out-of-school* youth, as specified, and require the local plan to include an analysis of education programs available for ~~out-of-school~~ *out-of-school* youth, as specified. 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.

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

37 (d) “Cluster-based sector strategies” mean methods of focusing
38 workforce and economic development on those sectors that have

1 demonstrated a capacity for economic growth and job creation in
2 a particular geographic area.

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

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

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

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

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

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

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

36 (2) The determination of whether an industry sector or
37 occupation is “in-demand” under this subdivision shall be made
38 by the board or local board, or through the regional planning
39 process in which local boards participate under the Workforce
40 Innovation and Opportunity Act, as appropriate, using state and

1 regional business and labor market projections, including the use
2 of labor market information.

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

12 (1) Displaced homemakers.

13 (2) Low-income individuals.

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

17 (4) Individuals with disabilities, including youths who are
18 individuals with disabilities.

19 (5) Older individuals.

20 (6) Ex-offenders.

21 (7) Homeless individuals, as defined in Section 14043e-2(6) of
22 Title 42 of the United States Code, or homeless children and
23 youths, as defined in Section 11434a(2) of Title 42 of the United
24 States Code.

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

26 (9) Individuals who are English language learners, individuals
27 who have low levels of literacy, and individuals facing substantial
28 cultural barriers.

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

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

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

35 (13) Long-term unemployed individuals.

36 (14) ~~Out-of-school~~ *Out-of-school* youth.

37 (15) Any other groups as the Governor determines to have
38 barriers to employment.

39 (k) “Industry cluster” means a geographic concentration or
40 emerging concentration of interdependent industries with direct

1 service, supplier, and research relationships, or independent
2 industries that share common resources in a given regional
3 economy or labor market. An industry cluster is a group of
4 employers closely linked by common product or services,
5 workforce needs, similar technologies, and supply chains in a given
6 regional economy or labor market.

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

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

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

17 (B) One or more representatives of a recognized state labor
18 organization or central labor council, or another labor
19 representative, as appropriate.

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

23 (2) The workforce collaborative may include representatives of
24 any of the following:

25 (A) State or local government.

26 (B) State or local economic development agencies.

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

28 (D) A state workforce agency or entity providing employment
29 services.

30 (E) Other state or local agencies.

31 (F) Business or trade associations.

32 (G) Economic development organizations.

33 (H) Nonprofit organizations, community-based organizations,
34 or intermediaries.

35 (I) Philanthropic associations.

36 (J) Industry associations.

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

39 (m) “Industry sector” means those firms that produce similar
40 products or provide similar services using somewhat similar

1 business processes, and are closely linked by workforce needs,
2 within a regional labor market.

3 (n) “Local labor federation” means a central labor council that
4 is an organization of local unions affiliated with the California
5 Labor Federation or a local building and construction trades council
6 affiliated with the State Building and Construction Trades Council
7 of California.

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

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

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

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

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

27 (5) Frequently are implemented using industry or sector
28 partnerships.

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

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

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

38 (A) Combines applied learning in a workplace setting with
39 compensation allowing workers or students to gain work experience

1 and secure a wage as they develop skills and competencies directly
2 relevant to the occupation or career for which they are preparing.

3 (B) Brings together classroom instruction with on-the-job
4 training to combine both formal instruction and actual paid work
5 experience.

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

8 (A) Apprenticeships.

9 (B) Preapprenticeships.

10 (C) Incumbent worker training.

11 (D) Transitional and subsidized employment, particularly for
12 individuals with barriers to employment.

13 (E) Paid internships and externships.

14 (F) Project-based compensated learning.

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

21 (s) “Local workforce development system stakeholders” means
22 owners of businesses or other business executives with
23 policymaking or hiring authority, representatives of local area
24 labor organizations, representatives of community-based
25 organizations that have demonstrated experience in addressing the
26 employment needs of individuals with barriers to employment,
27 and representatives of area schools and colleges including, but not
28 limited to schools that serve ~~out-of-school~~ *out-of-school* youth
29 through exclusive partnerships with 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 Corp or local conservation
36 corps certified by the California Conservation Corp pursuant to
37 Section 14406 or 14507.5 of the Public Resources Code.

38 SEC. 2. Section 14013 of the Unemployment Insurance Code
39 is amended to read:

40 14013. The board shall assist the Governor in the following:

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

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

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

19 (d) Developing and continuously improving the statewide
20 workforce investment system, including:

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

24 (2) The development of strategies to support the use of career
25 pathways for the purpose of providing individuals, including
26 low-skilled adults, youth, and individuals with barriers to
27 employment, including individuals with disabilities and ~~out of~~
28 ~~school~~ *out-of-school* youth, with workforce investment activities,
29 education, and supportive services to enter or retain employment.
30 To the extent permissible under state and federal laws, these
31 policies and strategies should support linkages between
32 kindergarten and grades 1 to 12, inclusive, and community college
33 educational systems in order to help secure educational and career
34 advancement. These policies and strategies may be implemented
35 using a sector strategies framework and should ultimately lead to
36 placement in a job providing economic security or job placement
37 in an entry-level job that has a well-articulated career pathway or
38 career ladder to a job providing economic security.

39 (3) The development of strategies for providing effective
40 outreach to and improved access for individuals, including

1 individuals with barriers to employment, and employers who could
2 benefit from services provided through the workforce development
3 system.

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

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

18 (A) Occupational skills training, including training for
19 nontraditional employment.

20 (B) On-the-job training.

21 (C) Incumbent worker training in accordance with Section
22 3174(d)(4) of Title 29 of the United States Code.

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

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

26 (F) Skill upgrading and retraining.

27 (G) Entrepreneurial training.

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

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

32 (J) Adult education and literacy activities provided in
33 combination with any of the services described in subparagraphs
34 (A) to (G), inclusive.

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

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

1 (e) The identification of regions, including planning regions,
2 for the purposes of Section 3121(a) of Title 29 of the United States
3 Code, and the designation of local areas under Section 3121 of
4 Title 29 of the United States Code, after consultation with local
5 boards and chief elected officials.

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

13 (g) Recommending strategies to the Governor for strategic
14 training investments of the Governor’s 15-percent discretionary
15 funds.

16 (h) Developing strategies to support staff training and awareness
17 across programs supported under the workforce development
18 system.

19 (i) The development and updating of comprehensive state
20 performance accountability measures, including state adjusted
21 levels of performance, to assess the effectiveness of the core
22 programs in the state as required under Section 3141(b) of Title
23 29 of the United States Code. As part of this process the board
24 shall do all of the following:

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

35 (A) Provide a status report on credential attainment, including
36 the attainment of California high school diplomas by ~~out-of-school~~
37 *out-of-school* youth from a school accredited by the Western
38 Association of Schools and Colleges, training completion, degree
39 attainment, and participant earnings from workforce education and

1 training programs. The board shall publish and distribute the final
2 report.

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

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

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

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

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

31 (3) (A) Participating workforce programs, as specified in
32 subparagraph (D) of paragraph (1), shall provide participant data
33 in a standardized format to the Employment Development
34 Department.

35 (B) The Employment Development Department shall aggregate
36 data provided by participating workforce programs and shall report
37 the data, organized by demographics, earnings, and industry of
38 employment, to the board to assist the board in producing the
39 annual workforce metrics dashboard.

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

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

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

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

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

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

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

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

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

36 (1) Enhance digital literacy skills, as defined in Section 9101
37 of Title 20 of the United States Code, referred to in this division
38 as "digital literacy skills."

39 (2) Accelerate the acquisition of skills and recognized
40 postsecondary credentials by participants.

1 (3) Strengthen the professional development of providers and
2 workforce professionals.

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

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

14 (n) The development of allocation formulas for the distribution
15 of funds for employment and training activities for adults, and
16 youth workforce investment activities, to local areas as permitted
17 under Sections 3163(b)(3) and 3173(b)(3) of Title 29 of the United
18 States Code.

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

22 (p) The development of the statewide workforce and labor
23 market information system described in Section 491-2(e) of Title
24 29 of the United States Code.

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

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

34 SEC. 3. Section 14200 of the Unemployment Insurance Code
35 is amended to read:

36 14200. (a) The local chief elected officials in a local workforce
37 development area shall form, pursuant to guidelines established
38 by the Governor and the board, a local workforce development
39 board to plan and oversee the workforce investment system.

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

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

20 (1) Consistently meet or exceed negotiated performance goals
21 for all of the measures in each of the three federal Workforce
22 Innovation and Opportunity Act of 2014 customer groups, which
23 consist of adults, dislocated workers, and youth, including ~~out-of~~
24 ~~school~~ *out-of-school* youth.

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

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

28 (A) Meets all local and regional planning requirements specified
29 under the federal Workforce Innovation and Development Act of
30 2014.

31 (B) Is consistent with the California Workforce Development
32 Board State Plan.

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

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

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

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

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

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

22 (7) Demonstrate investment in workforce initiatives, and,
23 specifically, training programs that promote skills development
24 and career ladders relevant to the needs of each workforce
25 investment area's regional labor market and high-wage industry
26 sectors.

27 (8) Establish a youth strategy aligned with the needs of each
28 workforce investment area's regional labor market and high-wage
29 industry sectors. This strategy shall also address workforce
30 preparation for ~~out-of-school~~ *out-of-school* youth and other
31 individuals facing barriers to employment.

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

35 (A) Efforts to partner with businesses to identify the workforce
36 training and educational barriers to attract jobs in the relevant
37 regional economy, existing skill gaps reducing the competitiveness
38 of local businesses in the relevant regional economies, and potential
39 emerging industries that would likely contribute to job growth in

1 the relevant regional economy if investments were made for
2 training and educational programs.

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

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

16 (d) The Governor and the Legislature, as part of the annual
17 budget process, in consultation with the California Workforce
18 Development Board, shall annually reserve a portion of the
19 15-percent discretionary fund made available pursuant to the
20 federal Workforce Innovation and Opportunity Act of 2014 for
21 the purpose of providing performance incentives to
22 high-performance local workforce development boards. The
23 remaining discretionary funds shall continue to be available for
24 other discretionary purposes as provided for in the federal
25 Workforce Innovation and Opportunity Act of 2014.

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

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

38 (g) To the extent permitted by the Workforce Innovation and
39 Opportunity Act of 2014, the California Workforce Development
40 Board may consider the utilization of incentive grants, or direct

1 assistance, or both, to local workforce development boards for the
2 purposes of this section.

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

10 SEC. 4. Section 14221 of the Unemployment Insurance Code
11 is amended to read:

12 14221. The local plan shall include all of the following:

13 (a) A description of the strategic planning elements consisting
14 of each of the following:

15 (1) An analysis of the regional economic conditions, including,
16 existing and emerging in-demand industry sectors and occupations
17 and the employment needs of employers in those industry sectors
18 and occupations.

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

22 (3) An analysis of the workforce in the region, including current
23 labor force employment and unemployment data, and information
24 on labor market trends, and the educational and skill levels of the
25 workforce in the region, including individuals with barriers to
26 employment.

27 (4) An analysis of the workforce development activities,
28 including education and training, in the region, including an
29 analysis of the strengths and weaknesses of such services, and the
30 capacity to provide such services, to address the identified
31 education and skill needs of the workforce and the employment
32 needs of employers in the region.

33 (5) An analysis of education programs available to ~~out of school~~
34 *out-of-school* youth to increase learning gains and earn a diploma
35 from a high school accredited by the Western Association of
36 Schools and Colleges in partnership with one-stop partners and
37 other core programs.

38 (6) A description of the local board's strategic vision and goals
39 for preparing an educated and skilled workforce, including youth
40 and individuals with barriers to employment, including goals

1 relating to the performance accountability measures based on
2 primary indicators of performance described in Section
3 3141(b)(2)(A) of Title 29 of the United States Code in order to
4 support regional economic growth and economic self-sufficiency.

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

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

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

28 (d) A description of the strategies and services that will be used
29 in the local area in order to facilitate engagement of employers,
30 including small employers and employers in in-demand industry
31 sectors and occupations, in workforce development programs,
32 support a local workforce development system that meets the needs
33 of businesses in the local area, better coordinate workforce
34 development programs and economic development, and strengthen
35 linkages between the one-stop delivery system and unemployment
36 insurance programs. This may include the implementation of
37 initiatives such as incumbent worker training programs, on-the-job
38 training programs, customized training programs, industry and
39 sector strategies, career pathways initiatives, utilization of effective
40 business intermediaries, and other business services and strategies,

1 designed to meet the needs of employers in the corresponding
2 region in support of the strategy described in paragraph (5) of
3 subdivision (a).

4 (e) A description of how the local board will coordinate
5 workforce investment activities carried out in the local area with
6 economic development activities carried out in the region in which
7 the local area is located, or planning region, and promote
8 entrepreneurial skills training and microenterprise services.

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

11 (1) A description of how the local board will ensure the
12 continuous improvement of eligible providers of services through
13 the system and ensure that such providers meet the employment
14 needs of local employers, and workers and jobseekers.

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

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

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

30 (g) A description and assessment of the type and availability of
31 adult and dislocated worker employment and training activities in
32 the local area.

33 (h) A description of how the local board will coordinate
34 workforce investment activities carried out in the local area with
35 statewide rapid response activities, as described in Section
36 3174(a)(2)(A) of Title 29 of the United States Code.

37 (i) A description and assessment of the type and availability of
38 youth workforce investment activities in the local area, including
39 activities for youth who are individuals with disabilities, which

1 description and assessment shall include an identification of
2 successful models of such youth workforce investment activities.

3 (j) A description of how the local board will coordinate
4 education and workforce investment activities carried out in the
5 local area with relevant secondary and postsecondary education
6 programs and activities to coordinate strategies, enhance services,
7 and avoid duplication of services.

8 (k) A description of how the local board will coordinate
9 workforce investment activities carried out under this article in
10 the local area with the provision of transportation, including public
11 transportation, and other appropriate supportive services in the
12 local area.

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

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

27 (n) A description of the replicated cooperative agreements, as
28 defined in Section 3122(d)(11) of Title 29 of the United States
29 Code between the local board or other local entities described in
30 Section 101(a)(11)(B) of the Rehabilitation Act of 1973 (29 U.S.C.
31 Sec. 721(a)(11)(B)) and the local office of a designated state agency
32 or designated state unit administering programs carried out under
33 Title I of that act, other than Section 112 or Part C of that Title (29
34 U.S.C. Secs. 732 and 741) and subject to Section 3151(f) of Title
35 29 of the United States Code, in accordance with Section
36 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. Sec.
37 721(a)(11)) with respect to efforts that will enhance the provision
38 of services to individuals with disabilities and to other individuals,
39 such as cross training of staff, technical assistance, use and sharing

1 of information, cooperative efforts with employers, and other
2 efforts at cooperation, collaboration, and coordination.

3 (o) An identification of the entity responsible for the disbursal
4 of grant funds described in Section 3122(d)(12)(B)(i)(III) of Title
5 29 of the United States Code, as determined by the chief elected
6 official or the Governor under Section 3122(d)(12)(B)(i) of Title
7 29 of the United States Code.

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

11 (q) A description of the local levels of performance negotiated
12 with the Governor and chief elected official pursuant to Section
13 3141(c) of Title 29 of the United States Code, to be used to measure
14 the performance of the local area and to be used by the local board
15 for measuring the performance of the local fiscal agent, where
16 appropriate, eligible providers, and the one-stop delivery system,
17 in the local area.

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

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

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

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

- 1 (v) Any other information as the Governor may require.
2 SEC. 5. Section 14230 of the Unemployment Insurance Code
3 is amended to read:
4 14230. (a) It is the intent of the Legislature that:
5 (1) California deliver comprehensive workforce services to
6 jobseekers, students, and employers through a system of one-stop
7 career centers.
8 (2) Services and resources target high-wage industry sectors
9 with career advancement opportunities.
10 (3) Universal access to career services shall be available to adult
11 residents regardless of income, education, employment barriers,
12 or other eligibility requirements. Career services shall include, but
13 not be limited to:
14 (A) Outreach, intake, and orientation to services available
15 through the one-stop delivery system.
16 (B) Initial assessment of skill levels, aptitudes, abilities, and
17 supportive service needs.
18 (C) Job search and placement assistance.
19 (D) Career counseling, where appropriate.
20 (E) Provision of labor market information.
21 (F) Provision of program performance and cost information on
22 eligible providers of training services and local area performance
23 measures.
24 (G) Provision of information on supportive services in the local
25 area.
26 (H) Provision of information on the filing of claims for
27 unemployment compensation benefits and unemployment
28 compensation disability benefits.
29 (I) Assistance in establishing eligibility for welfare-to-work
30 activities pursuant to Section 11325.8 of the Welfare and
31 Institutions Code, and financial aid assistance.
32 (J) Comprehensive and specialized assessments of skill levels
33 and service needs, including learning disability screening.
34 (K) Development of individual employment plans.
35 (L) Counseling.
36 (M) Career planning.
37 (N) Short-term prevocational services to prepare an individual
38 for training or employment.
39 (4) State and federally funded workforce education, training,
40 and employment programs shall be integrated in the one-stop

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

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

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

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

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

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

1 SEC. 6. Section 14510 of the Unemployment Insurance Code
2 is amended to read:

3 14510. (a) To the extent permitted by federal law, school
4 districts, county offices of education, and secondary schools that
5 provide instruction exclusively in partnership with any of the
6 entities or programs described in subdivision (b) are eligible to
7 apply to local workforce development boards to provide basic
8 skills training and skills necessary for attaining a secondary school
9 diploma. However, the boards shall prioritize programs that
10 specialize in a secondary school diploma from a school accredited
11 by the Western Association of Schools and Colleges.

12 (b) Pursuant to subdivision (a), entities or programs include
13 programs that serve ~~out-of-school~~ *out-of-school* youth through
14 exclusive partnerships between secondary schools and any of the
15 following:

16 (1) The California Workforce Development Board or local
17 workforce development board.

18 (2) Federally affiliated Youth Build programs.

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

21 (4) The California Conservation Corps or local conservation
22 corps certified by the California Conservation Corps pursuant to
23 Section 14406 or 14507.5 of the Public Resources Code.

24 SEC. 7. If the Commission on State Mandates determines that
25 this act contains costs mandated by the state, reimbursement to
26 local agencies and school districts for those costs shall be made
27 pursuant to Part 7 (commencing with Section 17500) of Division
28 4 of Title 2 of the Government Code.