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CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2719

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

February 19, 2016

An act to amend Sections 14005, 14013, 14200, 14206, 14221, 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 youths 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 a school operating in partnership with United States Department of Labor programs, 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 the local workforce development boards to, with representatives of secondary and postsecondary education programs, lead efforts in the local area to develop and implement career pathways within the local area. 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 and schools operating in partnership with United States Department of Labor programs, as specified, and, for the purposes of that requirement on local workforce development boards to lead efforts to develop and implement career pathways, provide that secondary and postsecondary education programs include specified entities. The bill would instead provide that school districts, county offices of education, and schools operating in partnership with United States Department of Labor 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.

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

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 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 youth” means an individual who meets the
16 definition in Section 3164(a)(1)(B) of Title 29 of the United States
17 Code.

18 (s) “School operating in partnership with United States
19 Department of Labor programs” means a school that serves
20 out-of-school youth through a partnership that includes, but is not
21 limited to, any of the following:

22 (1) The California Workforce Development Board or local
23 workforce development board.

24 (2) Federally affiliated Youth Build programs.

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

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

30 SEC. 2. Section 14013 of the Unemployment Insurance Code
31 is amended to read:

32 14013. The board shall assist the Governor in the following:

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

35 (b) Developing, implementing, and modifying the State Plan.
36 The State Plan shall serve as the comprehensive framework and
37 coordinated plan for the aligned investment of all federal and state
38 workforce training and employment services funding streams and
39 programs. To the extent feasible and when appropriate, the State
40 Plan should reinforce and work with adult education and career

1 technical education efforts that are responsive to labor market
2 trends.

3 (c) The review of statewide policies, of statewide programs,
4 and of recommendations on actions that should be taken by the
5 state to align workforce, education, training, and employment
6 funding programs in the state in a manner that supports a
7 comprehensive and streamlined workforce development system
8 in the state, including the review and provision of comments on
9 the State Plan, if any, for programs and activities of one-stop
10 partners that are not core programs.

11 (d) Developing and continuously improving the statewide
12 workforce investment system, including:

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

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

31 (3) The development of strategies for providing effective
32 outreach to and improved access for individuals, including
33 individuals with barriers to employment, and employers who could
34 benefit from services provided through the workforce development
35 system.

36 (4) The development and expansion of strategies for meeting
37 the needs of employers, workers, and jobseekers, particularly
38 through industry or sector partnerships related to in-demand
39 industry sectors and occupations, including policies targeting
40 resources to competitive and emerging industry sectors and industry

1 clusters that provide economic security and are either high-growth
2 sectors or critical to California's economy, or both. These industry
3 sectors and clusters shall have significant economic impacts on
4 the state and its regional and workforce development needs and
5 have documented career opportunities.

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

10 (A) Occupational skills training, including training for
11 nontraditional employment.

12 (B) On-the-job training.

13 (C) Incumbent worker training in accordance with Section
14 3174(d)(4) of Title 29 of the United States Code.

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

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

18 (F) Skill upgrading and retraining.

19 (G) Entrepreneurial training.

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

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

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

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

30 (e) The identification of regions, including planning regions,
31 for the purposes of Section 3121(a) of Title 29 of the United States
32 Code, and the designation of local areas under Section 3121 of
33 Title 29 of the United States Code, after consultation with local
34 boards and chief elected officials.

35 (f) The development and continuous improvement of the
36 one-stop delivery system in local areas, including providing
37 assistance to local boards, one-stop operators, one-stop partners,
38 and providers with planning and delivering services, including
39 training services and supportive services, to support effective

1 delivery of services to workers, job seekers, entrepreneurs, and
2 employers.

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

6 (h) Developing strategies to support staff training and awareness
7 across programs supported under the workforce development
8 system.

9 (i) The development and updating of comprehensive state
10 performance accountability measures, including state adjusted
11 levels of performance, to assess the effectiveness of the core
12 programs in the state as required under Section 3141(b) of Title
13 29 of the United States Code. As part of this process the board
14 shall do all of the following:

15 (1) Develop a workforce metrics dashboard, to be updated
16 annually, that measures the state’s human capital investments in
17 workforce development to better understand the collective impact
18 of these investments on the labor market. The workforce metrics
19 dashboard shall be produced using existing available data and
20 resources that are currently collected and accessible to state
21 agencies. The board shall convene workforce program partners to
22 develop a standardized set of inputs and outputs for the workforce
23 metrics dashboard. The workforce metrics dashboard shall do all
24 of the following:

25 (A) Provide a status report on credential attainment, including
26 training completion, degree attainment, and participant earnings
27 from workforce education and training programs. The board shall
28 publish and distribute the final report.

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

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

37 (D) Measure, at a minimum and to the extent feasible with
38 existing resources, the performance of the following workforce
39 programs: community college career technical education, the
40 Employment Training Panel, Title I and Title II of the federal

1 Workforce Investment Act of 1998, Trade Adjustment Assistance,
2 and state apprenticeship programs.

3 (E) Measure participant earnings in California, and to the extent
4 feasible, in other states. The Employment Development Department
5 shall assist the board by calculating aggregated participant earnings
6 using unemployment insurance wage records, without violating
7 any applicable confidentiality requirements.

8 (2) The State Department of Education is hereby authorized to
9 collect the social security numbers of adults participating in adult
10 education programs so that accurate participation in those programs
11 can be represented in the report card. However, an individual shall
12 not be denied program participation if he or she refuses to provide
13 a social security number. The State Department of Education shall
14 keep this information confidential and shall only use this
15 information for tracking purposes, in compliance with all applicable
16 state and federal law.

17 (3) (A) Participating workforce programs, as specified in
18 subparagraph (D) of paragraph (1), shall provide participant data
19 in a standardized format to the Employment Development
20 Department.

21 (B) The Employment Development Department shall aggregate
22 data provided by participating workforce programs and shall report
23 the data, organized by demographics, earnings, and industry of
24 employment, to the board to assist the board in producing the
25 annual workforce metrics dashboard.

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

28 (1) The effective operation of one-stop centers, relating to the
29 use of business outreach, partnerships, and service delivery
30 strategies, including strategies for serving individuals with barriers
31 to employment.

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

36 (3) Effective training programs that respond to real-time labor
37 market analysis, that effectively use direct assessment and prior
38 learning assessment to measure an individual’s prior knowledge,
39 skills, competencies, and experiences, and that evaluate such skills,

1 and competencies for adaptability, to support efficient placement
2 into employment or career pathways.

3 (k) The development and review of statewide policies affecting
4 the coordinated provision of services through the state’s one-stop
5 delivery system described in Section 3151(e) of Title 29 of the
6 United States Code, including the development of all of the
7 following:

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

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

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

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

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

25 (2) Accelerate the acquisition of skills and recognized
26 postsecondary credentials by participants.

27 (3) Strengthen the professional development of providers and
28 workforce professionals.

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

31 (m) The development of strategies for aligning technology and
32 data systems across one-stop partner programs to enhance service
33 delivery and improve efficiencies in reporting on performance
34 accountability measures, including the design and implementation
35 of common intake, data collection, case management information,
36 and performance accountability measurement and reporting
37 processes and the incorporation of local input into such design and
38 implementation, to improve coordination of services across
39 one-stop partner programs.

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

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

9 (p) The development of the statewide workforce and labor
10 market information system described in Section 491-2(e) of Title
11 29 of the United States Code.

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

15 (r) Helping individuals with barriers to employment, including
16 low-skill, low-wage workers, the long-term unemployed, and
17 members of single-parent households, achieve economic security
18 and upward mobility by implementing policies that encourage the
19 attainment of marketable skills relevant to current labor market
20 trends.

21 SEC. 3. Section 14200 of the Unemployment Insurance Code
22 is amended to read:

23 14200. (a) The local chief elected officials in a local workforce
24 development area shall form, pursuant to guidelines established
25 by the Governor and the board, a local workforce development
26 board to plan and oversee the workforce investment system.

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

30 (c) The Governor shall establish, through the California
31 Workforce Development Board, standards for certification of
32 high-performance local workforce development boards. The
33 California Workforce Development Board shall, in consultation
34 with representatives from local workforce development boards,
35 initiate a stakeholder process to determine the appropriate
36 measurable metrics and standards for high-performance
37 certification. These standards shall be implemented on or before
38 January 1, 2013, and the first certification of high-performance
39 boards shall occur on or before July 1, 2013. Certification and
40 recertification of each high-performance local workforce

1 development board shall occur thereafter midway through the
2 implementation of the local and regional plans required by the
3 Workforce Innovation and Opportunity Act. In order to meet the
4 standards for certification, a high-performance local workforce
5 development board shall do all of the following:

6 (1) Consistently meet or exceed negotiated performance goals
7 for all of the measures in each of the three federal Workforce
8 Innovation and Opportunity Act of 2014 customer groups, which
9 consist of adults, dislocated workers, and youth.

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

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

13 (A) Meets all local and regional planning requirements specified
14 under the federal Workforce Innovation and Opportunity Act of
15 2014.

16 (B) Is consistent with the California Workforce Development
17 Board State Plan.

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

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

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

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

28 (5) Demonstrate that the local planning process takes into
29 account the entire workforce training pipeline, including partners
30 in K–12 education, schools operating in partnership with United
31 States Department of Labor programs, career technical education,
32 the community college system, other postsecondary institutions,
33 and other local workforce development areas operating in a relevant
34 regional economy.

35 (6) Demonstrate that the local planning process and plan are
36 data driven, and that policy decisions at the local level are evidence
37 based. Each high-performance local workforce development board
38 shall use labor market data to develop and implement the local
39 plan, taking care to steer resources into programs and services that
40 are relevant to the needs of each workforce development area's

1 relevant regional labor market and high-wage industry sectors.
2 Local workforce development areas shall demonstrate an
3 evidence-based approach to policymaking by establishing
4 performance benchmarks and targets to measure progress toward
5 local goals and objectives.

6 (7) Demonstrate investment in workforce initiatives, and,
7 specifically, training programs that promote skills development
8 and career ladders relevant to the needs of each workforce
9 investment area’s regional labor market and high-wage industry
10 sectors.

11 (8) Establish a youth strategy, including out-of-school youth,
12 aligned with the needs of each workforce investment area’s regional
13 labor market and high-wage industry sectors.

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

17 (A) Efforts to partner with businesses to identify the workforce
18 training and educational barriers to attract jobs in the relevant
19 regional economy, existing skill gaps reducing the competitiveness
20 of local businesses in the relevant regional economies, and potential
21 emerging industries that would likely contribute to job growth in
22 the relevant regional economy if investments were made for
23 training and educational programs.

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

26 (C) A subcommittee of the local workforce development board
27 that further develops and makes recommendations for the business
28 service plan for each local workforce development board in an
29 effort to increase employer involvement in the activities of the
30 local workforce development board. The subcommittee members
31 should be comprised of business representatives on the local
32 workforce development board who represent both the leading
33 industries and employers in the relevant regional economy and
34 potential emerging sectors that have significant potential to
35 contribute to job growth in the relevant regional economy if
36 investments were made for training and educational programs.

37 (d) The Governor and the Legislature, as part of the annual
38 budget process, in consultation with the California Workforce
39 Development Board, shall annually reserve a portion of the
40 15-percent discretionary fund made available pursuant to the

1 federal Workforce Innovation and Opportunity Act of 2014 for
2 the purpose of providing performance incentives to
3 high-performance local workforce development boards. The
4 remaining discretionary funds shall continue to be available for
5 other discretionary purposes as provided for in the federal
6 Workforce Innovation and Opportunity Act of 2014.

7 (e) Only a workforce development board that is certified as a
8 high-performance local workforce development board by the
9 California Workforce Development Board shall be eligible to
10 receive any incentive money reserved for high-performance local
11 workforce development boards, as described in subdivision (d).
12 A board that is not certified as a high-performance local workforce
13 development board shall not receive any portion of the money
14 reserved for high-performance local workforce development
15 boards, as described in subdivision (d).

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

19 (g) To the extent permitted by the Workforce Innovation and
20 Opportunity Act of 2014, the California Workforce Development
21 Board may consider the utilization of incentive grants, or direct
22 assistance, or both, to local workforce development boards for the
23 purposes of this section.

24 (h) There shall not be a requirement to set aside federal
25 Workforce Innovation and Opportunity Act of 2014 funds for the
26 purposes of subdivision (d), (e), (f), or (g) in years when the federal
27 government significantly reduces the share of federal Workforce
28 Innovation and Opportunity Act of 2014 funds appropriated to the
29 state for statewide discretionary purposes below the federal
30 statutory amount of 15 percent.

31 SEC. 4. Section 14206 of the Unemployment Insurance Code
32 is amended to read:

33 14206. Consistent with the requirements of the Workforce
34 Innovation and Opportunity Act, the local board shall do all of the
35 following:

36 (a) In partnership with the chief elected official for the local
37 area involved, develop and submit a local plan to the Governor
38 that meets the requirements of the Workforce Innovation and
39 Opportunity Act. If the local area is part of a planning region that
40 includes other local areas, the local board shall collaborate with

1 the other local boards and chief elected officials from such other
2 local areas in the preparation and submission of a regional plan as
3 described in the Workforce and Innovation and Opportunity Act.

4 (b) In order to assist in the development and implementation of
5 the local plan, the local board shall do all of the following:

6 (1) Carry out analyses of the economic conditions in the region,
7 the needed knowledge and skills for the region, the workforce in
8 the region, and workforce development activities, including
9 education and training, in the region described in Section
10 3123(b)(1)(D) of Title 29 of the United States Code, and regularly
11 update such information.

12 (2) Assist the Governor in developing the statewide workforce
13 and labor market information system described in Section 15(e)
14 of the Wagner-Peyser Act (29 U.S.C. Sec. 491–2(e)), specifically
15 in the collection, analysis, and utilization of workforce and labor
16 market information for the region.

17 (3) Conduct such other research, data collection, and analysis
18 related to the workforce needs of the regional economy as the
19 board, after receiving input from a wide array of stakeholders,
20 determines to be necessary to carry out its functions.

21 (c) Convene local workforce development system stakeholders
22 to assist in the development of the local plan under Section 3123
23 of Title 29 of the United States Code and in identifying nonfederal
24 expertise and resources to leverage support for workforce
25 development activities. The local board, including standing
26 committees, may engage such stakeholders in carrying out the
27 functions described in this subdivision.

28 (d) Lead efforts to engage with a diverse range of employers
29 and with entities in the region involved to do all of the following:

30 (1) Promote business representation, particularly representatives
31 with optimal policymaking or hiring authority from employers
32 whose employment opportunities reflect existing and emerging
33 employment opportunities in the region, on the local board.

34 (2) Develop effective linkages, including the use of
35 intermediaries, with employers in the region to support employer
36 utilization of the local workforce development system and to
37 support local workforce investment activities.

38 (3) Ensure that workforce investment activities meet the needs
39 of employers and support economic growth in the region, by

1 enhancing communication, coordination, and collaboration among
2 employers, economic development entities, and service providers.

3 (4) Develop and implement proven or promising strategies for
4 meeting the employment and skill needs of workers and employers,
5 like the establishment of industry and sector partnerships, that
6 provide the skilled workforce needed by employers in the region,
7 and that expand employment and career advancement opportunities
8 for workforce development system participants in in-demand
9 industry sectors or occupations.

10 (e) (1) With representatives of secondary and postsecondary
11 education programs, lead efforts in the local area to develop and
12 implement career pathways within the local area by aligning the
13 employment, training, education, and supportive services that are
14 needed by adults and youth, particularly individuals with barriers
15 to employment.

16 (2) For purposes of this subdivision, “secondary and
17 postsecondary education programs” include, but are not limited
18 to, adult education consortiums, school districts, schools operating
19 in partnership with United States Department of Labor programs,
20 and community colleges partnering with local boards.

21 (f) Lead efforts in the local area to accomplish both of the
22 following:

23 (1) Identify and promote proven and promising strategies and
24 initiatives for meeting the needs of employers, and workers and
25 jobseekers, including individuals with barriers to employment, in
26 the local workforce development system, including providing
27 physical and programmatic accessibility, in accordance with
28 Section 3248 of Title 29 of the United States Code, if applicable,
29 and applicable provisions of the Americans with Disabilities Act
30 of 1990 (42 U.S.C. Sec. 12101 et seq.), to the one-stop delivery
31 system.

32 (2) Identify and disseminate information on proven and
33 promising practices carried out in other local areas for meeting
34 these needs.

35 (g) Develop strategies for using technology to maximize the
36 accessibility and effectiveness of the local workforce development
37 system for employers, and workers and jobseekers, by doing all
38 of the following:

39 (1) Facilitating connections among the intake and case
40 management information systems of the one-stop partner programs

1 to support a comprehensive workforce development system in the
2 local area.

3 (2) Facilitating access to services provided through the one-stop
4 delivery system involved, including facilitating the access in remote
5 areas.

6 (3) Identifying strategies for better meeting the needs of
7 individuals with barriers to employment, including strategies that
8 augment traditional service delivery, and increase access to services
9 and programs of the one-stop delivery system, such as improving
10 digital literacy skills.

11 (4) Leveraging resources and capacity within the local workforce
12 development system, including resources and capacity for services
13 for individuals with barriers to employment.

14 (h) In partnership with the chief elected official for the local
15 area, shall conduct oversight for local youth workforce investment
16 activities as required under the federal Workforce Innovation and
17 Opportunity Act, ensure the appropriate use and management of
18 the funds as required under the Workforce Innovation and
19 Opportunity Act, and, for workforce development activities, ensure
20 the appropriate use, management, and investment of funds to
21 maximize performance outcomes as required under the federal
22 Workforce Innovation and Opportunity Act.

23 (i) Negotiate and reach agreement on local performance
24 accountability measures, as described in Section 3141(c) of Title
25 29 of the United States Code, with the chief elected official and
26 the Governor.

27 (j) Select and provide access to system operators, service
28 providers, trainers, and educators, in a manner consistent with the
29 requirements of the Workforce Innovation and Opportunity Act
30 and applicable state laws, including all of the following:

31 (1) Consistent with Section 3151(d) of Title 29 of the United
32 States Code, and with the agreement of the chief elected official
33 for the local area, designate or certify one-stop operators as
34 described in Section 3151(d)(2)(A) of Title 29 of the United States
35 Code and terminate for cause the eligibility of these operators.

36 (2) Consistent with Section 3153 of Title 29 of the United States
37 Code, identify eligible providers of youth workforce investment
38 activities in the local area by awarding grants or contracts on a
39 competitive basis, except as provided in Section 3153(b) of Title
40 29 of the United States Code, based on the recommendations of

1 the youth standing committee, if such a committee is established
2 for the local area and terminate for cause the eligibility of these
3 providers.

4 (3) Consistent with Section 3152 of Title 29 of the United States
5 Code and paragraph (4) of subdivision (d) of Section 14020,
6 identify eligible providers of training services in the local area.

7 (4) If the one-stop operator does not provide career services
8 described in Section 3174(c)(2) of Title 29 of the United States
9 Code in a local area, identify eligible providers of those career
10 services in the local area by awarding contracts.

11 (5) Consistent with Section 3152 of Title 29 of the United States
12 Code and paragraphs (2) and (3) of Section 3174(c) of Title 29 of
13 the United States Code, work with the state to ensure there are
14 sufficient numbers and types of providers of career services and
15 training services, including eligible providers with expertise in
16 assisting individuals with disabilities and eligible providers with
17 expertise in assisting adults in need of adult education and literacy
18 activities, serving the local area and providing the services involved
19 in a manner that maximizes consumer choice, as well as providing
20 opportunities that lead to competitive integrated employment for
21 individuals with disabilities.

22 (k) Consistent with the requirements of the Workforce
23 Innovation and Opportunity Act, coordinate activities with
24 education and training providers in the local area, including
25 providers of workforce development activities, providers of adult
26 education and literacy activities under Title II of the Workforce
27 Innovation and Opportunity Act, providers of career and technical
28 education, as defined in Section 2302 of Title 20 of the United
29 States Code, and local agencies administering plans under Title I
30 of the Rehabilitation Act of 1973 (29 U.S.C. Sec. 720 et seq.),
31 other than Section 112 or Part C of that Title (29 U.S.C. Sec. 732,
32 741).

33 SEC. 5. Section 14221 of the Unemployment Insurance Code
34 is amended to read:

35 14221. The local plan shall include all of the following:

36 (a) A description of the strategic planning elements consisting
37 of each of the following:

38 (1) An analysis of the regional economic conditions, including,
39 existing and emerging in-demand industry sectors and occupations

1 and the employment needs of employers in those industry sectors
2 and occupations.

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

6 (3) An analysis of the workforce in the region, including current
7 labor force employment and unemployment data, and information
8 on labor market trends, and the educational and skill levels of the
9 workforce in the region, including individuals with barriers to
10 employment.

11 (4) An analysis of the workforce development activities,
12 including education and training, in the region, including an
13 analysis of the strengths and weaknesses of such services, and the
14 capacity to provide such services, to address the identified
15 education and skill needs of the workforce, including individuals
16 with employment barriers, and the employment needs of employers
17 in the region.

18 (5) A description of the local board's strategic vision and goals
19 for preparing an educated and skilled workforce, including youth
20 and individuals with barriers to employment, including goals
21 relating to the performance accountability measures based on
22 primary indicators of performance described in Section
23 3141(b)(2)(A) of Title 29 of the United States Code in order to
24 support regional economic growth and economic self-sufficiency.

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

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

38 (c) A description of how the local board, working with the
39 entities carrying out core programs, will expand access to
40 employment, training, education, and supportive services for

1 eligible individuals, particularly eligible individuals with barriers
2 to employment, including how the local board will facilitate the
3 development of career pathways and co-enrollment, as appropriate,
4 in core programs, and improve access to activities leading to a
5 recognized postsecondary credential, including a credential that
6 is an industry-recognized certificate or certification, portable, and
7 stackable.

8 (d) A description of the strategies and services that will be used
9 in the local area in order to facilitate engagement of employers,
10 including small employers and employers in in-demand industry
11 sectors and occupations, in workforce development programs,
12 support a local workforce development system that meets the needs
13 of businesses in the local area, better coordinate workforce
14 development programs and economic development, and strengthen
15 linkages between the one-stop delivery system and unemployment
16 insurance programs. This may include the implementation of
17 initiatives such as incumbent worker training programs, on-the-job
18 training programs, customized training programs, industry and
19 sector strategies, career pathways initiatives, utilization of effective
20 business intermediaries, and other business services and strategies,
21 designed to meet the needs of employers in the corresponding
22 region in support of the strategy described in paragraph (5) of
23 subdivision (a).

24 (e) A description of how the local board will coordinate
25 workforce investment activities carried out in the local area with
26 economic development activities carried out in the region in which
27 the local area is located, or planning region, and promote
28 entrepreneurial skills training and microenterprise services.

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

31 (1) A description of how the local board will ensure the
32 continuous improvement of eligible providers of services through
33 the system and ensure that such providers meet the employment
34 needs of local employers, and workers and jobseekers.

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

39 (3) A description of how entities within the one-stop delivery
40 system, including one-stop operators and the one-stop partners,

1 will comply with Section 3248 of Title 29 of the United States
2 Code, if applicable, and applicable provisions of the Americans
3 with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.)
4 regarding the physical and programmatic accessibility of facilities,
5 programs and services, technology, and materials for individuals
6 with disabilities, including providing staff training and support for
7 addressing the needs of individuals with disabilities.

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

10 (g) A description and assessment of the type and availability of
11 adult and dislocated worker employment and training activities in
12 the local area.

13 (h) A description of how the local board will coordinate
14 workforce investment activities carried out in the local area with
15 statewide rapid response activities, as described in Section
16 3174(a)(2)(A) of Title 29 of the United States Code.

17 (i) A description and assessment of the type and availability of
18 youth workforce investment activities in the local area, including
19 activities for youth who are individuals with disabilities, which
20 description and assessment shall include an identification of
21 successful models of such youth workforce investment activities.

22 (j) A description of how the local board will coordinate
23 education and workforce investment activities carried out in the
24 local area with relevant secondary and postsecondary education
25 programs and activities to coordinate strategies, enhance services,
26 and avoid duplication of services.

27 (k) A description of how the local board will coordinate
28 workforce investment activities carried out under this article in
29 the local area with the provision of transportation, including public
30 transportation, and other appropriate supportive services in the
31 local area.

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

38 (m) A description of how the local board will coordinate
39 workforce investment activities carried out in the local area with
40 the provision of adult education and literacy activities in the local

1 area, including a description of how the local board will carry out,
2 consistent with subparagraphs (A) and (B)(i) of Section
3 3122(d)(11) of Title 29 of the United States Code and Section
4 3322 of Title 29 of the United States Code, the review of local
5 applications.

6 (n) A description of the replicated cooperative agreements, as
7 defined in Section 3122(d)(11) of Title 29 of the United States
8 Code between the local board or other local entities described in
9 Section 101(a)(11)(B) of the Rehabilitation Act of 1973 (29 U.S.C.
10 Sec. 721(a)(11)(B)) and the local office of a designated state agency
11 or designated state unit administering programs carried out under
12 Title I of that act, other than Section 112 or Part C of that Title (29
13 U.S.C. Secs. 732 and 741) and subject to Section 3151(f) of Title
14 29 of the United States Code, in accordance with Section
15 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. Sec.
16 721(a)(11)) with respect to efforts that will enhance the provision
17 of services to individuals with disabilities and to other individuals,
18 such as cross training of staff, technical assistance, use and sharing
19 of information, cooperative efforts with employers, and other
20 efforts at cooperation, collaboration, and coordination.

21 (o) An identification of the entity responsible for the disbursal
22 of grant funds described in Section 3122(d)(12)(B)(i)(III) of Title
23 29 of the United States Code, as determined by the chief elected
24 official or the Governor under Section 3122(d)(12)(B)(i) of Title
25 29 of the United States Code.

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

29 (q) A description of the local levels of performance negotiated
30 with the Governor and chief elected official pursuant to Section
31 3141(c) of Title 29 of the United States Code, to be used to measure
32 the performance of the local area and to be used by the local board
33 for measuring the performance of the local fiscal agent, where
34 appropriate, eligible providers, and the one-stop delivery system,
35 in the local area.

36 (r) A description of the actions the local board will take toward
37 becoming or remaining a high-performing board, consistent with
38 the factors developed by the board pursuant to Section 3111(d)(6)
39 of Title 29 of the United States Code. This federal requirement is
40 separate and apart from state standards pertaining to the

1 certification of high-performance local workforce development
2 boards.

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

10 (t) A description of the process used by the local board,
11 consistent with subsection (d), to provide an opportunity for public
12 comment, including comment by representatives of businesses and
13 comment by representatives of labor organizations, and input into
14 the development of the local plan, prior to submission of the plan.

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

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

20 SEC. 6. Section 14510 of the Unemployment Insurance Code
21 is amended to read:

22 14510. (a) To the extent permitted by federal law, school
23 districts, county offices of education, and schools operating in
24 partnership with United States Department of Labor programs are
25 eligible to apply to local workforce development boards to provide
26 basic skills training and skills necessary for attaining a secondary
27 school diploma.

28 (b) Among the appropriate education providers considered for
29 ~~an out-of-school-youth,~~ *youth services*, the boards shall include
30 *for consideration* programs that specialize in a secondary school
31 diploma from a school accredited by the Western Association of
32 Schools and Colleges from the relevant geographic area.