

Senate Bill No. 342

Passed the Senate September 1, 2015

Secretary of the Senate

Passed the Assembly August 31, 2015

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2015, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 14000, 14005, and 14013 of the Unemployment Insurance Code, relating to unemployment insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 342, Jackson. California Workforce Investment Board: responsibilities.

(1) Under existing law, the California Workforce Investment Board is responsible for assisting the Governor in the development, oversight, and continuous improvement of California's workforce investment system. Existing law requires the board to assist the Governor in targeting resources to specified industry sectors and providing guidance to ensure that services reflect the needs of those sectors.

This bill would additionally require 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.

(2) Existing law requires the California Workforce Investment Board, in consultation with the Division of Apprenticeship Standards, to identify opportunities for "earn and learn" job training opportunities that meet an industry's workforce demands and that are in high-wage, high-demand jobs, identify and develop specific requirements and qualifications for entry into "earn and learn" job training models, and establish standards for "earn and learn" job training programs that are outcome oriented and accountable, as specified.

This bill would define the term "earn and learn" for the purposes of these provisions.

(3) This bill would incorporate additional changes to Sections 14000, 14005, and 14013 of the Unemployment Insurance Code made by this bill and AB 1270 to take effect if both bills are chaptered and this bill is chaptered last.

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

SECTION 1. Section 14000 of the Unemployment Insurance Code is amended to read:

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

(b) The Legislature finds and declares that the following principles shall guide the state's workforce investment system:

(1) Workforce investment programs and services shall be responsive to the needs of employers, workers, and students by accomplishing the following:

(A) Preparing California's students and workers with the skills necessary to successfully compete in the global economy.

(B) Producing greater numbers of individuals who obtain industry-recognized certificates and degrees in competitive and emerging industry sectors and filling critical labor market skills gaps.

(C) Adapting to rapidly changing local and regional labor markets as specific workforce skill requirements change over time.

(D) Preparing workers for good-paying jobs that foster economic security and upward mobility.

(2) State and local workforce investment boards are encouraged to collaborate with other public and private institutions, including businesses, unions, nonprofit organizations, kindergarten and grades 1 to 12, inclusive, career technical education programs, adult career technical education and basic skills programs, community college career technical education and basic skills programs, entrepreneurship training programs, where appropriate, the California Community Colleges Economic and Workforce Development Program, and the Employment Training Panel, to better align resources across workforce education and training service delivery systems and build a well-articulated workforce investment system by accomplishing the following:

(A) Adopting local and regional training and education strategies which include workplace-based earn and learn programs that build on the strengths and fill the gaps in the education and workforce development pipeline in order to address the needs of job seekers, workers, and employers within regional labor markets by supporting sector strategies.

(B) Leveraging resources across education and workforce training delivery systems to build career pathways and fill critical skills gaps.

(3) Workforce investment programs and services shall be data driven and evidence based when setting priorities, investing resources, and adopting practices.

(4) Workforce investment programs and services shall develop strong partnerships with the private sector, ensuring industry involvement in needs assessment, planning, and program evaluation.

(A) Workforce investment programs and services shall encourage industry involvement by developing strong partnerships with an industry's employers and the unions that represent the industry's workers.

(B) Workforce investment programs and services may consider the needs of employers and businesses of all sizes, including large, medium, small, and microenterprises, when setting priorities, investing resources, and adopting practices.

(5) Workforce investment programs and services shall be outcome oriented and accountable, measuring results for program participants, including, but not limited to, outcomes related to program completion, employment, and earnings.

(6) Programs and services shall be accessible to employers, the self-employed, workers, and students who may benefit from their operation, including individuals with employment barriers, such as persons with economic, physical, or other barriers to employment.

SEC. 1.5. Section 14000 of the Unemployment Insurance Code is amended to read:

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

(b) The Legislature finds and declares that the following principles shall guide the state's workforce investment system:

(1) Workforce investment programs and services shall be responsive to the needs of employers, workers, and students by accomplishing the following:

(A) Preparing California's students and workers with the skills necessary to successfully compete in the global economy.

(B) Producing greater numbers of individuals who obtain industry-recognized certificates and career-oriented degrees in competitive and emerging industry sectors and filling critical labor market skills gaps.

(C) Adapting to rapidly changing local and regional labor markets as specific workforce skill requirements change over time.

(D) Preparing workers for good-paying jobs that foster economic security and upward mobility.

(E) Aligning employment programs, resources, and planning efforts regionally around industry sectors that drive regional employment to connect services and training directly to jobs.

(2) State and local workforce development boards are encouraged to collaborate with other public and private institutions, including businesses, unions, nonprofit organizations, kindergarten and grades 1 to 12, inclusive, career technical education programs, adult career technical education and basic skills programs, apprenticeships, community college career technical education and basic skills programs, entrepreneurship training programs, where appropriate, the California Community Colleges Economic and Workforce Development Program, the Employment Training Panel, and county-based social and employment services, to better align resources across workforce, training, education, and social service delivery systems and build a well-articulated workforce investment system by accomplishing the following:

(A) Adopting local and regional training and education strategies which include workplace-based earn and learn programs that build on the strengths and fill the gaps in the education and workforce development pipeline in order to address the needs of job seekers, workers, and employers within regional labor markets by supporting sector strategies.

(B) Leveraging resources across education and workforce training delivery systems to build career pathways and fill critical skills gaps.

(3) Workforce investment programs and services shall be data driven and evidence based when setting priorities, investing resources, and adopting practices.

(4) Workforce investment programs and services shall develop strong partnerships with the private sector, ensuring industry involvement in needs assessment, planning, and program evaluation.

(A) Workforce investment programs and services shall encourage industry involvement by developing strong partnerships with an industry's employers and the unions that represent the industry's workers.

(B) Workforce investment programs and services may consider the needs of employers and businesses of all sizes, including large, medium, small, and microenterprises, when setting priorities, investing resources, and adopting practices.

(5) Workforce investment programs and services shall be outcome oriented and accountable, measuring results for program participants, including, but not limited to, outcomes related to program completion, employment, and earnings.

(6) Programs and services shall be accessible to employers, the self-employed, workers, and students who may benefit from their operation, including individuals with employment barriers, such as persons with economic, physical, or other barriers to employment.

SEC. 2. Section 14005 of the Unemployment Insurance Code is amended to read:

14005. For purposes of this division:

(a) "Board" means the California Workforce Investment Board.

(b) "Agency" means the Labor and Workforce Development Agency.

(c) "Career pathways," "career ladders," or "career lattices" mean an identified series of positions, work experiences, or educational benchmarks or credentials with multiple access points that offer occupational and financial advancement within a specified career field or related fields over time.

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

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

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

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

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

(i) “Individual with employment barriers” means an individual with any characteristic that substantially limits an individual’s ability to obtain employment, including indicators of poor work history, lack of work experience, or access to employment in nontraditional occupations, long-term unemployment, lack of educational or occupational skills attainment, dislocation from high-wage and high-benefit employment, low levels of literacy or English proficiency, disability status, or welfare dependency.

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

(k) (1) “Industry or sector partnership” means a workforce collaborative that organizes key stakeholders in a targeted industry cluster into a working group that focuses on the workforce needs of the targeted industry cluster. An industry or sector partnership organizes the stakeholders connected with a specific local or regional industry—multiple firms, labor groups, education and training providers, and workforce and education systems—to develop workforce development strategies within the industry. Successful sector partnerships leverage partner resources to address both short-term and long-term human capital needs of a particular sector, including by analyzing current labor markets and identifying barriers to employment within the industry, developing cross-firm

skill standards, curricula, and training programs, and developing occupational career ladders to ensure workers of all skill levels can advance within the industry.

(2) Industry or sector partnerships include, at the appropriate stage of development of the partnership, all of the following:

(A) Representatives of multiple firms or employers in the targeted industry cluster, including small-sized and medium-sized employers when practicable.

(B) One or more representatives of state labor organizations, central labor coalitions, or other labor organizations, except in instances where no labor representations exists.

(C) One or more representatives of local workforce investment boards.

(D) One or more representatives of kindergarten and grades 1 to 12, inclusive, and postsecondary educational institutions or other training providers, including, but not limited to, career technical educators.

(E) One or more representatives of state workforce agencies or other entities providing employment services.

(3) An industry or sector partnership may also include representatives from the following:

(A) State or local government.

(B) State or local economic development agencies.

(C) Other state or local agencies.

(D) Chambers of commerce.

(E) Nonprofit organizations.

(F) Philanthropic organizations.

(G) Economic development organizations.

(H) Industry associations.

(I) Other organizations, as determined necessary by the members comprising the industry or sector partnership.

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

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

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

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

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

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

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

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

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

(o) “Workforce Investment Act of 1998” means the federal act enacted as Public Law 105-220.

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

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

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

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

(A) Apprenticeships.

- (B) Preapprenticeships.
- (C) Incumbent worker training.
- (D) Transitional and subsidized employment, particularly for individuals with barriers to employment.
- (E) Paid internships and externships.
- (F) Project-based compensated learning.

SEC. 2.5. Section 14005 of the Unemployment Insurance Code is amended to read:

14005. For purposes of this division:

(a) “Board” means the California Workforce Development Board.

(b) “Agency” means the Labor and Workforce Development Agency.

(c) “Career pathways,” “career ladders,” or “career lattices” are an identified series of positions, work experiences, or educational benchmarks or credentials with multiple access points that offer occupational and financial advancement within a specified career field or related fields over time. “Career pathways,” “career ladders,” and “career lattices” offer combined programs of rigorous and high-quality education, training, and other services that do all of the following:

(1) Align with the skill needs of industries in the economy of the state or regional economy involved.

(2) Prepare an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the National Apprenticeship Act of 1937 (29 U.S.C. Sec. 50 et seq.), except as in Section 3226 of Title 29 of the United States Code.

(3) Include counseling to support an individual in achieving the individual’s education and career goals.

(4) Include, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

(5) Organize education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable.

(6) Enable an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential.

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

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

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

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

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

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

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

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

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

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

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

- (1) Displaced homemakers.
- (2) Low-income individuals.
- (3) Indians, Alaska Natives, and Native Hawaiians, as those terms are defined in Section 3221 of Title 29 of the United States Code.
- (4) Individuals with disabilities, including youths who are individuals with disabilities.
- (5) Older individuals.
- (6) Ex-offenders.
- (7) Homeless individuals, as defined in Section 14043e-2(6) of Title 42 of the United States Code, or homeless children and youths, as defined in Section 11434a(2) of Title 42 of the United States Code.
- (8) Youth who are in, or have aged out of, the foster care system.
- (9) Individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers.
- (10) Eligible migrant and seasonal farmworkers, as defined in Section 3322(i) of Title 29 of the United States Code.
- (11) Individuals within two years of exhausting lifetime eligibility under Part A of Title IV of the Social Security Act (42 U.S.C. Sec. 601 et seq.).
- (12) Single parents, including single, pregnant women.
- (13) Long-term unemployed individuals.

(14) Any other groups as the Governor determines to have barriers to employment.

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

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

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

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

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

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

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

(A) State or local government.

(B) State or local economic development agencies.

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

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

(E) Other state or local agencies.

(F) Business or trade associations.

(G) Economic development organizations.

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

(I) Philanthropic associations.

(J) Industry associations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(A) Apprenticeships.

(B) Preapprenticeships.

(C) Incumbent worker training.

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

(E) Paid internships and externships.

(F) Project-based compensated learning.

SEC. 3. Section 14013 of the Unemployment Insurance Code is amended to read:

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

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

(b) Developing the State Workforce Investment Plan.

(c) Developing guidelines for the continuous improvement and operation of the workforce investment system, including:

(1) Developing policies to guide the one-stop system.

(2) Providing technical assistance for the continuous improvement of the one-stop system.

(3) Recommending state investments in the one-stop system.

(4) Targeting resources to competitive and emerging industry sectors and industry clusters that provide economic security and are either high-growth sectors or critical to California’s economy, or both. These industry sectors and clusters shall have significant economic impacts on the state and its regional and workforce development needs and have documented career opportunities.

(5) To the extent permissible under state and federal laws, recommending youth policies and strategies that support linkages between kindergarten and grades 1 to 12, inclusive, and community college educational systems and youth training opportunities in

order to help youth secure educational and career advancement. These policies and strategies may be implemented using a sector strategies framework and should ultimately lead to placement in a job providing economic security or job placement in an entry-level job that has a well-articulated career pathway or career ladder to a job providing economic security.

(6) To the extent permissible under state and federal law, recommending adult and dislocated worker training policies and investments that offer a variety of career opportunities while upgrading the skills of California's workforce. These may include training policies and investments pertaining to any of the following:

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

(B) On-the-job training.

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

(D) Training programs operated by the private sector.

(E) Skill upgrading and retraining.

(F) Entrepreneurial training.

(G) Job readiness training.

(H) Adult education and literacy activities provided in combination with any of the services described in this paragraph.

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

(d) Developing and continuously improving the statewide workforce investment system as delivered via the one-stop delivery system and via other programs and services supported by funding from the federal Workforce Investment Act of 1998, including:

(1) Developing linkages in order to ensure coordination and nonduplication among workforce programs and activities.

(2) Reviewing local workforce investment plans.

(3) Leveraging state and federal funds to ensure that resources are invested in activities that meet the needs of the state's competitive and emerging industry sectors and advance the education and employment needs of students and workers so they can keep pace with the education and skill needs of the state, its regional economies, and leading industry sectors.

(e) Commenting, at least once annually, on the measures taken pursuant to the Carl D. Perkins Vocational and Applied Technology

Education Act Amendments of 1990 (Public Law 101-392; 20 U.S.C. Sec. 2301 et seq.).

(f) Designating local workforce investment areas within the state based on information derived from all of the following:

- (1) Consultations with the Governor.
- (2) Consultations with the chief local elected officials.
- (3) Consideration of comments received through the public comment process, as described in Section 112(b)(9) of the federal Workforce Investment Act of 1998.

(g) Developing and modifying allocation formulas, as necessary, for the distribution of funds for adult employment and training activities, for youth activities to local workforce investment areas, and dislocated worker employment and training activities, as permitted by federal law.

(h) Coordinating the development and continuous improvement of comprehensive state performance measures, including state adjusted levels of performance, to assess the effectiveness of the workforce investment activities in the state.

(i) Preparing the annual report to the United States Secretary of Labor.

(j) Recommending policy for the development of the statewide employment statistics system, including workforce and economic data, as described in Section 491-2 of Title 29 of the United States Code, and using, to the fullest extent possible, the Employment Development Department's existing labor market information systems.

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

(l) Developing and recommending waivers, in conjunction with local workforce investment boards, to the Governor as provided for in the federal Workforce Investment Act of 1998.

(m) Recommending policy to the Governor for the use of the 25-percent rapid response funds, as authorized under the federal Workforce Investment Act of 1998.

(n) Developing an application to the United States Department of Labor for an incentive grant under Section 9273 of Title 20 of the United States Code.

(o) (1) Developing a workforce metrics dashboard, to be updated annually, that measures the state's human capital

investments in workforce development to better understand the collective impact of these investments on the labor market. The workforce metrics dashboard shall be produced using existing available data and resources that are currently collected and accessible to state agencies. The board shall convene workforce program partners to develop a standardized set of inputs and outputs for the workforce metrics dashboard. The workforce metrics dashboard shall do all of the following:

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

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

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

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

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

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

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

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

SEC. 3.5. Section 14013 of the Unemployment Insurance Code is amended to read:

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

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

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

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

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

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

(2) The development of strategies to support the use of career pathways for the purpose of providing individuals, including low-skilled adults, youth, and individuals with barriers to

employment, and including individuals with disabilities, with workforce investment activities, education, and supportive services to enter or retain employment. To the extent permissible under state and federal laws, these policies and strategies should support linkages between kindergarten and grades 1 to 12, inclusive, and community college educational systems in order to help secure educational and career advancement. These policies and strategies may be implemented using a sector strategies framework and should ultimately lead to placement in a job providing economic security or job placement in an entry-level job that has a well-articulated career pathway or career ladder to a job providing economic security.

(3) The development of strategies for providing effective outreach to and improved access for individuals and employers who could benefit from services provided through the workforce development system.

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

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

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

(B) On-the-job training.

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

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

(E) Training programs operated by the private sector.

(F) Skill upgrading and retraining.

(G) Entrepreneurial training.

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

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

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

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

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

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

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

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

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

(1) Develop a workforce metrics dashboard, to be updated annually, that measures the state's human capital investments in workforce development to better understand the collective impact of these investments on the labor market. The workforce metrics dashboard shall be produced using existing available data and resources that are currently collected and accessible to state agencies. The board shall convene workforce program partners to

develop a standardized set of inputs and outputs for the workforce metrics dashboard. The workforce metrics dashboard shall do all of the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SEC. 4. (a) Section 1.5 of this bill incorporates amendments to Section 14000 of the Unemployment Insurance Code proposed by both this bill and Assembly Bill 1270. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2016, (2) each bill amends Section 14000 of the Unemployment Insurance Code, and (3) this bill is enacted after

Assembly Bill 1270, in which case Section 1 of this bill shall not become operative.

(b) Section 2.5 of this bill incorporates amendments to Section 14005 of the Unemployment Insurance Code proposed by both this bill and Assembly Bill 1270. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2016, (2) each bill amends Section 14005 of the Unemployment Insurance Code, and (3) this bill is enacted after Assembly Bill 1270, in which case Section 2 of this bill shall not become operative.

(c) Section 3.5 of this bill incorporates amendments to Section 14013 of the Unemployment Insurance Code proposed by both this bill and Assembly Bill 1270. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2016, (2) each bill amends Section 14013 of the Unemployment Insurance Code, and (3) this bill is enacted after Assembly Bill 1270, in which case Section 3 of this bill shall not become operative.

Approved _____, 2015

Governor