

AMENDED IN SENATE AUGUST 16, 1999

AMENDED IN SENATE JULY 7, 1999

AMENDED IN ASSEMBLY APRIL 13, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 480

Introduced by Assembly Member Ducheny

February 18, 1999

An act to add Division 2.1 (commencing with Section 5400) to the Unemployment Insurance Code, relating to workforce investment, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 480, as amended, Ducheny. Work force investment.

Existing law contains various provisions for job training and placement. The federal Workforce Investment Act of 1998 provides for workforce investment activities, including activities in which states may participate.

This bill would enact provisions relating to the state administration of the federal Workforce Investment Act of 1998 by a ~~State-Workforce~~ *California Work-Force* Investment Board. It would enact provisions relating to the administration and distribution of funds, and relating to the participation in the program by state agencies. The bill would require a report to the Legislature *and the Governor* by the ~~State-Workforce~~ *California Work-Force* Investment Board.

This bill would require the California Work-Force Investment Board to develop a state work-force development plan and a single-state plan as required by the federal act. This bill would require the Governor to establish a State Office of Work-Force Investment to implement specified provisions of the federal act, and an Office of Statewide Programs to serve specified populations that are experiencing excess poverty and unemployment.

This bill would only become operative if a statute enacted during the 1999 portion of the 1999–2000 Legislative Session establishes a State Workforce Investment Board to administer the federal Workforce Investment Act of 1998, as specified.

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. Division 2.1 (commencing with Section
2 5400) is added to the Unemployment Insurance Code, to
3 read:

4
5 DIVISION 2.1. IMPLEMENTATION OF
6 WORKFORCE INVESTMENT ACT

7
8 CHAPTER 1. GENERAL
9

10 5400. (a) Unless otherwise provided by this division,
11 the definitions contained in Division 2 (commencing
12 with Section 5000) govern the construction of this
13 division.

14 (b) *The following definitions shall apply to this*
15 *division:*

16 (1) “Board” or “state board” means the California
17 Work-force Investment Board.

18 (2) “WIA” means the federal Work-Force Investment
19 Act of 1998 (P.L. 105-220).

20 (3) “JTPA” means the federal Job Training
21 Partnership Act Title II Program.
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CHAPTER 2. STATE PROGRAM FUNDS

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~~5420. In using the 15 percent portion of the federal Workforce Investment Act of 1998 training funds available to the state for statewide programs, the state may, in addition to other mandated activities, do all of the following:~~

~~(a) Provide capacity building and technical assistance to local areas, one stop operators, one stop partners, and eligible providers.~~

~~(b) Conduct research and demonstration projects.~~

~~(c) Establish innovative incumbent worker training programs.~~

~~(d) Establish programs targeted to empowerment zones and enterprise communities.~~

~~(e) Identify eligible providers of training services.~~

~~(f) Establish innovative programs for displaced homemakers, which may include an individual who is receiving public assistance and is within two years of exhausting lifetime eligibility under TANF.~~

~~(g) Establish programs to increase the number of individuals training for, and placed in, nontraditional employment.~~

~~(h) Provide incentive or matching funds for state and local entities for the delivery of work force investment related activities.~~

~~(i) Provide set-asides for dislocated workers, including, but not limited to, migrant and seasonal farmworkers.~~

~~(j) Establish a performance-based accountability system.~~

~~5421. In allocating funds for programs established under Section 5420, the State Workforce Investment Board, consistent with requirements of Division 2 (commencing with Section 5000) and the federal Workforce Investment Act of 1998, may distribute funds to employers, private nonprofit organizations, public entities, and for profit entities.~~

~~5422. In providing services to dislocated workers, the State Workforce Investment Board shall include migrant~~



1 and seasonal farmworkers within the category of
2 dislocated workers, as allowed under federal law.

3 ~~5423. Proposals for funds to be allocated under~~
4 ~~Section 5420 that are made to the State Workforce~~
5 ~~Investment Board shall include, at a minimum,~~
6 ~~comments by local work force investment boards to~~
7 ~~assure that the programs are consistent with local plans.~~

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9 CHAPTER 3. PROGRAMS TO IMPROVE EXISTING
10 EMPLOYMENT

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12 ~~5430. In addition to providing funds for programs for~~
13 ~~disadvantaged adults and youth and unemployed or~~
14 ~~displaced workers, to the extent consistent with the~~
15 ~~federal Workforce Investment Act of 1998, funds~~
16 ~~allocated under that act shall be used for improving the~~
17 ~~quality of the existing work force, stabilizing~~
18 ~~unsubsidized employment, upgrading the skills of~~
19 ~~workers to meet the demands of higher skill jobs, and~~
20 ~~allowing workers to advance their careers.~~

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22 CHAPTER 4 2. SYSTEM ADMINISTRATION AND FUNDING

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24 ~~5440. The State Workforce~~

25 ~~5420. The California Work-Force~~ Investment Board,
26 as the body responsible for the development, oversight,
27 and accountability of California's workforce
28 development system, is responsible for a number of
29 activities that affect multiple programs, departments,
30 and agencies delivering workforce development
31 services. The Legislature finds that systemwide activities
32 relating to planning, accountability, labor market and
33 consumer information, and one-stop service delivery
34 shall be financially supported by the system partners.

35 ~~5441.~~

36 ~~5421. The annual Budget Act shall include a separate~~
37 ~~budget line item for the State Workforce~~ *California*
38 *Work-Force* Investment Board. Funds shall be directly
39 appropriated through the annual Budget Act to the state
40 board from federal Workforce Investment Act of 1998



1 funds which are transferred to the Consolidated Work
2 Program Fund and shall be used to support the duties of
3 the state board as specified in Section 5013. Funds to
4 support systemwide activities specified in subdivisions
5 (c), (d), (e), (g), (k), and (o) of Section 5013 shall be
6 provided through the annual Budget Act to the state
7 board through reimbursements from participating
8 programs and agencies, including, but not limited to,
9 CalWORKs, the Department of Rehabilitation, the
10 Employment Training Panel, the California Community
11 Colleges, the State Department of Education, and the
12 Employment Development Department, in amounts
13 proportional to their role and participation in the
14 workforce development system.

15 ~~5442.~~

16 5422. The state board shall prepare a report to the
17 Legislature *and the Governor* by January 15, 2001, on the
18 restructuring, *consolidation, elimination,* and
19 realignment of programs, departments, and agencies
20 delivering workforce development services. This report
21 shall:

22 (a) Identify resources within each department and
23 agency that are dedicated to workforce development
24 activities.

25 (b) Identify the populations being served by the
26 various programs.

27 (c) Make recommendations on realignment,
28 consolidation, and creation of state programs, initiatives,
29 and funding streams, while ensuring that the workforce
30 preparation needs of different population groups are met.

31 ~~5443.~~

32 5423. For the purpose of ensuring full participation of
33 state agencies in one-stop career centers, ~~it is the intent~~
34 ~~of the Legislature that~~ all state agencies that are required
35 partners in one-stop centers shall include a line item in
36 their state budget proposal that identifies the resources
37 dedicated to support the statewide one-stop system.

38 ~~5444.~~

39 5424. Each local workforce investment board shall
40 report to the state board ~~by November 15 of each year~~



1 *annually* on the local efforts to deliver workforce
 2 development services in an integrated way, to reduce
 3 duplications of efforts, and to meet the unmet workforce
 4 preparation needs of the different population groups in
 5 the local area. This report shall also include
 6 recommendations to the state board for realignment,
 7 consolidation, and creation of new state programs,
 8 initiatives, and funding streams.

9 *5525. Notwithstanding any other provision of law,*
 10 *when a person using his or her WIA individual training*
 11 *account enrolls in an adult education program, a*
 12 *noncredit curricula program at a community college, or*
 13 *a regional occupation center or program, for which state*
 14 *funds are allocated, all of the following shall apply:*

15 (a) *The person shall not be included in any calculation*
 16 *of average daily attendance used for allocating state funds*
 17 *for the program.*

18 (b) *Any state funds allocated to the entity*
 19 *administering the program shall not be offset with the*
 20 *WIA individual training account funds.*

21 (c) *The entity administering the program shall use the*
 22 *WIA individual training account funds received for the*
 23 *program.*

24
 25 ~~CHAPTER 5.—OPERATION~~

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 28 CHAPTER 3. WORK-FORCE INVESTMENT ACT
 29 IMPLEMENTATION

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 31 *5430. (a) The California Work-Force Investment*
 32 *Board shall develop a California Work-Force*
 33 *Development Plan that will serve as a framework for the*
 34 *development of a unified state policy for work-force*
 35 *investment and economic development. This policy will*
 36 *be coordinated in conjunction with the Board of*
 37 *Governors of the California Community Colleges, the*
 38 *State Board of Education, and appropriate state agencies*
 39 *engaged in work-force development. The California*
 40 *Work-Force Development Plan shall represent plans for*



1 statewide activities and local plans as developed by local
2 work-force investment boards. The plan shall be updated
3 at least every five years.

4 (b) The state board shall establish as appropriate, an
5 advisory committee of local elected officials and local
6 agency administrators affected by state and federal
7 work-force development planning requirements, to
8 develop a strategy, in consultation with all affected state
9 governing and advisory bodies and federal agencies, to do
10 all of the following:

11 (1) Ensure that state work-force education and
12 training plans, as well as related plans, are submitted to
13 federal agencies and that those plans are consistent with
14 the California Work-Force Development Plan.

15 (2) Make specific recommendations for changes in
16 state law and changes in federal law and regulation, as
17 necessary.

18 (3) Provide incentive grants to local areas for regional
19 cooperation among local boards, agencies, and other
20 stakeholders, for coordination of resources and activities
21 under the WIA, as well as exemplary performance by
22 regions and local areas on local performance measures.

23 (4) Provide a performance accountability system.

24 (5) Permit other activities as provided by federal law,
25 such as capacity building, technical assistance, research
26 and demonstration projects, and expanded youth
27 activities, as well as implement innovative incumbent
28 worker training programs.

29 (c) Beginning July 1 2002, this comprehensive strategy
30 will be included as a component of the California
31 Work-Force Development Plan.

32 (d) (1) Seasonally unemployed farm workers,
33 because of ongoing mechanization, excess supply,
34 language and education deficits and incomes averaging
35 below poverty are unlikely to return to their previous
36 occupation and are, therefore, identified as customers for
37 adult, youth, and dislocated worker services. Other hard
38 to serve populations such as the homeless, older workers,
39 veterans, persons with disabilities, women, minorities,
40 displaced homemakers, CalWORKs recipients, parolees,



1 inmates of California correctional facilities and
2 disadvantaged adults shall be identified as customer
3 segments of the California Work-Force Development
4 Plan, and their skill deficits and self-sufficiency needs
5 addressed.

6 (2) The Governor shall retain the discretion to allocate
7 30 percent of the 85 percent local work-force investment
8 funds using a formula based on excess poverty and
9 unemployment.

10 (3) Rapid response activities shall include disaster
11 assistance.

12 (4) The needs of special populations shall be met
13 through all of the following:

14 (A) An Office of Statewide Programs serving special
15 populations.

16 (B) Inclusion of the State Department of Social
17 Services as a mandatory partner.

18 (C) Performance standards that reflect the barriers to
19 employment of hard to serve customers.

20 (D) Individual Training Account (ITA) benefits that
21 allow for longer term, more intensive training and
22 support.

23 (E) A training provider selection and evaluation
24 system that considers the demographics and barriers to
25 employment of customers served.

26 (F) Targeting of 30 percent of the 85 percent local area
27 funds based on factors contributing to excess poverty and
28 unemployment.

29 5431. (a) It is the finding of the Legislature that
30 work-force preparation programs generally lack strong
31 accountability measures. Agencies and institutions
32 traditionally receive federal funds regardless of their
33 performance. Too often, programs have been rewarded
34 and funded merely for documenting services provided
35 rather than for demonstrating desired outcomes. For
36 example, under JTPA, there are no requirements for
37 reporting on how successfully training providers provide
38 information to clients; under the WIA,
39 performance-based information must be provided to
40 help clients meet their needs in terms of expected



1 outcomes. Also under JTPA, the state determined
2 adjusted levels of performance; under the WIA, the
3 Secretary of Labor and the Governor will negotiate
4 acceptable levels of performance for each core indicator.
5 Finally, under JTPA, national incentive grants are not
6 authorized; under the WIA, the Secretary of Labor will
7 award incentive grants to each state that exceeds its
8 performance levels.

9 (b) The WIA will require the provision of specified
10 services and programs, and will also assess performance
11 by the attainment of specific outcomes (core indicators).
12 The success of youth activities will be determined by
13 specified outcomes resulting from participation in youth
14 activities. Training providers of eligible youth, ages 14 to
15 18, inclusive, will be required to demonstrate the
16 attainment of youth work readiness, basic skills,
17 occupational skills, attainment of secondary school
18 diplomas or recognized equivalents, and placement in
19 postsecondary education, advanced training, military
20 service, employment, or apprenticeships. Similarly,
21 training providers of eligible older participants will show
22 that their students have entered employment, stayed
23 employed, received earnings, and attained recognized
24 educational achievement credentials or diplomas.

25 (c) Section 136 of the WIA provides for the
26 establishment of a comprehensive performance
27 accountability system. The state board shall designate a
28 committee of the board to assist with coordination and
29 oversight of the Work-Force Performance-Based
30 Accountability System to assess the accomplishments of
31 California's Work-Force Investment and Economic
32 Development System and meet the accountability
33 requirements of the WIA. The system shall include such
34 elements as state performance measures, local
35 performance measures, reports, evaluation of state
36 programs, fiscal and management accountability,
37 sanctions for state failure to meet state performance
38 measures, and other measures and terminology.

39 (d) (1) In order to carry out these responsibilities, the
40 board shall review the work accomplished for the former



1 State Job Training Coordinating Council, participating
2 state agencies, and contractors, if any, to determine
3 whether any changes should be made to the planned
4 design of the reporting system.

5 (2) The board shall also work in collaboration with the
6 administrative agencies responsible for individual
7 work-force development programs to develop a plan and
8 schedule for development of the statewide work-force
9 development reporting system that meets the
10 requirements of the WIA and the report card program.
11 This plan and schedule must be reported to the
12 Legislature no later than December 31, 1999.

13 (3) The plan and schedule developed by the board
14 shall identify the tasks which each state agency must
15 accomplish to complete the development of the
16 reporting system, the costs of developing and operating
17 the system, and the dates by which these tasks will be
18 accomplished.

19 (4) The board shall report no later than June 30 of each
20 year, beginning June 30, 2000, on the accomplishments of
21 the agencies in completing the defined tasks.

22 (5) The board shall contract as needed with state and
23 local agencies or external entities in order to ensure the
24 successful and timely completion and implementation of
25 the reporting system.

26 (e) The performance-based accountability system,
27 including state and local development and operations,
28 shall be funded in the annual Budget Act.

29 (f) Chapter 771 of the Statutes of 1995 established the
30 development of the Performance-Based Accountability
31 System to measure employment outcomes following
32 participation in employment training programs. That
33 chapter also requires the publishing of a consumer report
34 card. The Performance-Based Accountability System is
35 not designed, nor does it have the capacity, to accomplish
36 the accountability purposes contained in this division.
37 However, this effort has made progress in gaining
38 understandings of the complex additional indicators of
39 performance, customer satisfaction indicators, and levels
40 of performance.



1 (g) Based upon the information compiled pursuant to
2 this section, the Governor shall develop statewide
3 performance indicators and measures to accomplish the
4 requirements of the WIA, and to meet California's
5 work-force development policy goals.

6 (h) Based upon the information compiled pursuant to
7 this section, the Governor shall, on December 31 of each
8 year, prepare and disseminate local and statewide report
9 cards that measure the outcomes of the individual
10 programs that operate as part of the work-force
11 development system in relation to the statutory missions
12 or purposes of the programs. The report card shall contain
13 information on local labor market and employment data.
14 Community conditions, funding information, or other
15 information that will help customers to make informed
16 choices.

17 (i) (1) The Governor shall also prepare and
18 disseminate a State Report Card that measures the
19 performance of the entire work-force development
20 system and the effectiveness of the system in meeting
21 employers' needs for educated and trained workers, and
22 the clients' needs for improving their economic
23 well-being.

24 (2) This system shall measure the performance of state
25 and federally funded education and training programs for
26 the purpose of system, program, and instructional
27 continuous improvement.

28 (3) Programs to be measured shall include programs
29 in receipt of funds from the WIA, the Job Training
30 Partnership Act, the Carl D. Perkins Vocational and
31 Technology Education Act, the Job Opportunities and
32 Basic Skills program, the CalWORKS program, the Food
33 Stamp Employment and Training program, the Wagner
34 Peyser Act, the Employment Training Program, adult
35 education programs, basic vocational rehabilitation
36 services as defined by Part B of Title I of the federal
37 Vocational Rehabilitation Act of 1973, as amended (29
38 U.S.C. Sec. 701 et seq.), vocational education programs,
39 and certificated community college programs.



1 (4) Job training and education providers receiving
2 funding identified in paragraph (3) shall, to the extent
3 permitted by federal law, request social security numbers
4 from each participant 18 years of age and over and not
5 currently enrolled in high school and participating in a
6 work-force preparation program and shall report to the
7 Governor on participant social security numbers and
8 economic and demographic characteristics, including,
9 but not limited to, age, gender, race, or ethnicity, and
10 educational achievement. The Governor, with the
11 assistance of the state board, shall establish the acceptable
12 format and timeframes of data submission.

13 (5) The board shall apply for any federal waivers
14 necessary to implement this subdivision.

15 (j) State and local performance measures shall focus
16 on core indicators of performance. The system shall
17 include the mandated core measures of adults, youth, and
18 dislocated workers, including all of the following:

19 (1) (A) For adults: entry into unsubsidized
20 employment; retention in unsubsidized employment for
21 six months after entry into employment; earnings
22 received in unsubsidized employment six months after
23 entry into employment; and attainment of a recognized
24 credential related to achievement of educational skills.

25 (B) Any provider of adult work-force development
26 preparation services shall provide performance and cost
27 information for all adults participating in all applicable
28 programs in a manner compatible with this bill in order
29 to retain eligibility, after an initial period of eligibility, to
30 receive funds under Title I of the WIA.

31 (2) For youth 14 to 18 years of age, inclusive:
32 attainment of basic skills; attainment of secondary school
33 diplomas and their recognized equivalents; and
34 placement and retention in postsecondary education.

35 (3) For youth 19 to 21 years of age, inclusive: entry into
36 unsubsidized employment; retention in unsubsidized
37 employment for six months after entry into employment;
38 earnings received in unsubsidized employment six
39 months after entry into employment; and attainment of



1 a recognized credential related to achievement of
2 educational skills.

3 (4) For dislocated workers: entry into unsubsidized
4 employment; retention in unsubsidized employment for
5 six months after entry into employment; earnings
6 received in unsubsidized employment six months after
7 entry into employment; and attainment of a recognized
8 credential related to achievement of educational skills.

9 (5) For employers and customers of One-Stop
10 Centers: customer satisfaction.

11 (k) The Governor may also establish regional
12 performance standards for the purpose of creating
13 incentives for regions that exceed established regional
14 standards.

15 (l) The Governor, pursuant to Section 666.110 of the
16 WIA, shall establish additional indicators of performance
17 to measure job quality, long-term retention, and the
18 long-term career and educational advancement of
19 One-Stop Center participants. Differential standards
20 may be developed to accommodate the differing needs,
21 baseline abilities, and aptitudes of special populations.
22 Neither local nor provider performance standards should
23 create disincentives for serving clients who are harder to
24 train and place.

25 (m) The state board shall submit an annual report to
26 the Secretary of Labor on its progress in achieving state
27 performance measures. The board shall conduct ongoing
28 evaluation studies of activities carried out in the local
29 investment areas. The Governor shall establish a fiscal
30 management system. The Secretary of Labor shall be
31 requested to provide technical assistance to the board if
32 it fails to meet required levels of performance during any
33 one year, in light of the fact that federal funding will be
34 reduced if the state's poor performance continues. The
35 Governor shall provide technical assistance to local
36 investment areas to assist them in improving their
37 performance.

38 (n) Performance accountability systems developed
39 under WIA shall complement existing standards,



1 assessment, and accountability development efforts, and
2 be adequately funded.

3 (o) Performance measures developed by local
4 investment areas shall be consistent with performance
5 measures developed by the board.

6 (p) (1) Performance measures and indicators
7 required within each title of the WIA relative to state
8 agencies shall be developed, administered, and
9 maintained by the appropriate agencies. Each agency
10 shall maintain security over the data gathered from their
11 local agencies and programs.

12 (2) The Employment Development Department, in
13 consultation with the Department of Education, the
14 Commission on Trade and Commerce, and other
15 agencies, shall develop and maintain performance
16 measures and indicators related to the economy.

17 (3) The Employment Development Department shall
18 develop and maintain performance measures and
19 indicators related to employment, unemployment,
20 earnings, and labor market information.

21 (4) The State Department of Education, in
22 consultation with the appropriate education authorities,
23 shall develop and maintain measure and indicators
24 related to education. The State Department of Education
25 is designated as the agency responsible for administration
26 and state level performance accountability on youth
27 under 18 years of age. That department shall develop a
28 comprehensive performance accountability system for
29 youth activities based on standards and assessment
30 measures to verify the attainment of work readiness, and
31 basic and occupational skills.

32 (q) All performance measures and indicators shall
33 meet all of the following requirements:

34 (1) They shall be developed to complement existing
35 state standards, assessment, and accountability efforts.

36 (2) They shall be consistent and compatible across all
37 titles of the WIA.

38 (3) They shall reflect regional demographic,
39 economic, and service delivery capacity conditions.



1 (4) They shall be matched across programs and WIA
2 titles using a common WIA customer indicator or
3 identified, enabling customers, service providers, and
4 policymakers to access, link, and aggregate data from
5 separate data bases.

6 (5) The common identifier shall be the WIA
7 customer's social security number.

8 (r) By January 1, 2001, the Governor shall operate a
9 comprehensive performance-based accountability
10 system that matches the social security numbers of
11 former participants in state education and training
12 programs with information in files of state and federal
13 agencies that maintain employment and educational
14 records and identifies the occupations of those former
15 participants whose social security numbers are found in
16 employment records.

17 (s) The state board shall establish the accountability
18 measures and processes for collecting, aggregating, and
19 reporting data, as well as conditions and means for the
20 application of sanctions and incentives. Additional
21 measures shall be added as determined by the California
22 Work-Force Development Plan.

23 (t) (1) All data collection processes shall maintain
24 confidentiality of participant records to ensure individual
25 privacy as provided in federal and state law.

26 (2) To ensure data security, the committee or a public
27 education operating entity shall utilize scientifically
28 validated double blind electronic matching or other
29 validated electronic security techniques. Those
30 techniques shall compare individual participant data
31 with state and federal employment records in a manner
32 not viewable or traceable by the persons conducting the
33 matching process. The security techniques shall result in
34 data that contains no individually identifiable
35 information.

36 (3) The collection, maintenance, and storage of
37 current and past participant data will be the
38 responsibility of the respective state education and
39 employment training agencies. Each agency shall ensure
40 data are prepared in an agreed-upon format, and



1 electronically accessible by the committee, or a public
2 education operating entity. The annual date for
3 availability of data shall be determined through written
4 agreement between the agency and the committee.

5 5432. (a) The state board shall be responsible for
6 statewide strategic training investments utilizing not
7 more than 15 percent of the WIA adult and youth training
8 funds available to the state for those purposes. The
9 strategic statewide investment may include:

10 (1) Providing incentive grants to local areas for
11 regional cooperation among local boards, agencies, and
12 other stakeholders, for coordination of resources and
13 activities under the WIA, and other federal and state
14 work-force preparation programs, and for exemplary
15 performance by regions and local areas on the local
16 performance measures.

17 (2) Developing and operating a performance
18 accountability system.

19 (3) Performing other activities, such as providing
20 capacity building and technical assistance to local areas,
21 conducting research and demonstration projects,
22 expanding resources for youth activities, and
23 implementing innovative incumbent worker training
24 programs.

25 (4) Certifying that the state plan documents the
26 manner in which services and strategies are coordinated
27 with the Instruction and Job Training Plan required
28 pursuant to Section 9100 of the Education Code.

29 (b) The designated agency, at the direction of the
30 Governor, shall distribute the remaining 15 percent of
31 federal welfare-to-work grant funds, less the amount
32 necessary to administer the program, to state and local
33 projects that will assist moving eligible participants into
34 unsubsidized employment. The Governor shall take into
35 special consideration, the needs of rural areas in
36 distributing funds under this subdivision. Funds allocated
37 pursuant to this subdivision shall be distributed to
38 employers, private nonprofit organizations, including
39 faith-based organizations, and for-profit and public
40 organizations, agencies, schools, and colleges. Payments



1 of these funds shall be contingent upon performance
2 outcomes. Proposals submitted for state and local projects
3 shall include, at a minimum, comments by the local
4 work-force investment board or alternate local
5 administrative entity, and the county welfare
6 department, to ensure that grants that are approved will
7 be consistent with local plans for moving eligible
8 participants into unsubsidized employment.

9 (c) In order to promote collaboration of local and
10 regional partnerships that support initiatives in education
11 reform, work-force preparation and economic
12 development, the Secretary of the Health and Human
13 Services Agency, the Secretary of the Trade and
14 Commerce Agency, the Chancellor of the California
15 Community Colleges, and the Superintendent of Public
16 Instruction shall, in consultation with the state board,
17 local stateholders, and customers, do both of the
18 following:

19 (1) Select, in collaboration with the state partner
20 agencies, a minimum of five regional education,
21 work-force preparation, and economic development
22 collaboratives, known as work-force collaboratives, that
23 will receive financial and program incentives to develop
24 local partnerships to maximize the delivery of
25 employment, training, and education services. These
26 partnerships shall collaborate in the development of
27 shared systems to improve their efficiency and
28 effectiveness in delivering work-force development
29 services.

30 (2) From existing state and federal funds available for
31 expenditure for the purposes of this section, identify five
32 million dollars (\$5,000,000) per year for each of three
33 years for distribution to a minimum of five regional
34 work-force collaboratives, in order to create systemic
35 change that results in increased collaboration and service
36 delivery within each region.

37 (d) The state board shall pursue waivers from the
38 appropriate federal agencies to promote local flexibility
39 and remove obstacles to integrated service delivery for
40 selected regional collaboratives.

1 (e) The state partners shall manage all recipient
 2 selection, grant awards, fiscal accountability, program
 3 monitoring, and other administrative functions required
 4 by the specified categorical funding statutes and
 5 agencies.

6 (f) (1) The Governor shall establish a State Office of
 7 Work-Force Investment which shall implement required
 8 and discretionary statewide WIA activities in accordance
 9 with Sections 129 (youth) and 134 (adult) of the WIA.

10 (2) The required activities shall include all of the
 11 following:

- 12 (A) State administration.
- 13 (B) Eligible service providers list.
- 14 (C) Program evaluations.
- 15 (D) Incentive awards to improve coordination.
- 16 (E) Incentive awards to improve performance.
- 17 (F) Technical assistance.
- 18 (G) Fiscal management and MIS.
- 19 (H) Establishment and maintenance of One Stops.

20 (3) Discretionary activities may include all of the
 21 following:

- 22 (A) Technical assistance and capacity building.
- 23 (B) Research and demonstrations.
- 24 (C) Innovative incumbent worker programs.
- 25 (D) Programs for empowerment and enterprise
 26 zones.
- 27 (E) Innovative programs for displaced homemakers.
- 28 (F) Nontraditional placement programs.
- 29 (G) Support data collection on eligible training
 30 providers.
- 31 (H) Other locally authorized activities as needed.
- 32 (I) Support of One Stop and Career centers.
- 33 (J) Data collection on eligible training providers.

34 (g) An Office of Statewide Programs shall serve
 35 special populations that are experiencing excess poverty
 36 and unemployment such as: migrant and seasonal
 37 farmworkers, Native Americans, veterans, CalWORKs
 38 participants, the disabled, youth entering the work-force,
 39 African American males, the homeless and seniors.



1 *(h) The Office of Statewide Programs shall develop*
2 *and fund initiatives that do all of the following:*

3 *(1) Assist the WIA customers with multiple barriers to*
4 *employment, including language barriers, low literacy,*
5 *low educational attainment, seasonal and sporadic*
6 *employment, low annual incomes, substance abuse, and*
7 *poor work histories.*

8 *(2) Fully integrate the nationally funded programs*
9 *serving farmworkers, veterans and other hard to serve*
10 *populations into the statewide Work-Force Investment*
11 *System.*

12 *(3) Ensure these hard to serve customers have*
13 *equitable access to statewide and local activities and the*
14 *full range of assistance authorized under the WIA.*

15 *(4) Provide a range of assistance to alleviate barriers*
16 *to employment, increases levels of education, literacy and*
17 *job specific skills, and places individuals into jobs ensuring*
18 *self-sufficiency.*

19 *(5) Link with other programs that are serving these*
20 *customers, including CSBG, WIA Section 167, JTPA*
21 *Veterans Title IV(c), WIA Section 166, and the Older*
22 *Americans Act.*

23 *(6) Assist the state, local communities and work-force*
24 *investment areas in responding to disasters such as*
25 *agricultural freezes, floods, and earthquakes.*

26 *(7) Target services and funds to customers and*
27 *geographic areas with high unemployment and poverty.*

28 *(8) Serve mobile customers, such as farmworkers, on*
29 *a statewide basis.*

30 *(9) Develop appropriate performance standards so*
31 *that hard to serve customers will receive appropriate*
32 *services and service delivery can be evaluated.*

33 *(10) Conduct ongoing statewide labor market analysis*
34 *and customer needs analysis for these hard to serve*
35 *customers.*

36 *5433. The State Job Training Coordinating Council is*
37 *dissolved and the state board shall assume the*
38 *responsibilities formerly exercised by this entity.*

39 *The program established pursuant to this article shall*
40 *be coordinated with all existing employment training*



1 *programs and economic development programs,*
2 *including, but not limited to, programs such as the WIA.*

3 *5434. Statewide disaster relief planning shall consider*
4 *the need for replacement employment income for*
5 *laid-off workers in communities that suffer mass layoffs*
6 *and disruptions of normal economic activity due to floods,*
7 *freezes, and other natural disasters.*

8 *5435. (a) The Governor shall allocate funds to local*
9 *areas in accordance with Sections 128 and 133 of the WIA.*

10 *(b) The Governor shall exercise the allowable*
11 *discretion provided in Section 128 of the WIA (youth)*
12 *and Section 133 of the WIA (adult) and allocate 30*
13 *percent of the 85 percent of funds reserved for local areas*
14 *on the basis of regional or industry wide factors relating*
15 *to excess youth and adult poverty and unemployment.*

16 *(c) The state board shall identify the factors that*
17 *contribute to excess youth and adult poverty and*
18 *unemployment. These factors may include: high youth*
19 *drop out rates from school, language, literacy, language*
20 *and educational deficits, seasonal employment patterns,*
21 *high long-term welfare rates, and low net job creation*
22 *rates relative to the number of job seekers.*

23 *(d) The regional and industry wide approach shall do*
24 *all of the following:*

25 *(1) Encourage cooperation among adjoining*
26 *work-force investment areas.*

27 *(2) More closely tailor programs to economic regions,*
28 *industry wide conditions and labor markets.*

29 *(3) Promote cooperation between areas of high and*
30 *low unemployment to encourage labor exchange,*
31 *training and placement programs.*

32 *(4) Promote a regional approach in areas that share*
33 *common economic development and work-force*
34 *preparation issues; such as the Central Valley, the North*
35 *Coast, and the Silicon Valley.*

36 *(5) Achieve needed economies of scale for programs*
37 *linked with regional initiatives such as economic*
38 *development.*



1 (6) Retain needed flexibility at the Governor's level to
2 respond quickly to regional economic problems and
3 opportunities.

4 (e) Local work-force investment boards may provide
5 training services in accordance with the exceptions to
6 ITA delivery identified in Section 134(4)(G) of the WIA
7 when the local board determines that there is a training
8 services program of demonstrated effectiveness offered
9 in the local area by a community-based organization or
10 other private organization to serve special participant
11 populations that face multiple barriers to employment.
12 Special participant populations that face multiple
13 barriers to employment will include those identified in
14 Section 134(4)(G)(iv) of the WIA and migrant and
15 seasonal farmworkers.

16 (f) One-stop operators, intensive service providers
17 and training providers shall determine eligibility for
18 training services and assess the ability to benefit from
19 training in accordance with Sections 134(d)(3)
20 (intensive services) and (4)(a)(ii) (training services) of
21 the WIA. Assessment policies shall ensure that the
22 determination whether the participant has the skills and
23 qualifications to successfully participate in the selected
24 program of training services does not discriminate against
25 participants with substantial barriers to employment
26 including language barriers, limited English speaking
27 ability and low educational and grade levels.

28 (g) Local work-force investment boards shall
29 implement youth activities in accordance with Section
30 129 of the WIA.

31 5436. (a) The Governor shall develop criteria for
32 local eligible providers of adult and youth services in
33 accordance with Sections 122 and 123 of the WIA.

34 (b) The local work-force investment board shall
35 develop recommendations for criteria for service
36 providers and a list of local eligible providers in
37 accordance with Sections 122 and 123.

38 (c) Community colleges, adult education programs,
39 apprenticeship programs, and regional occupational
40 centers and programs shall be considered as initially



1 eligible institutions to provide training services consistent
2 with Section 122(b) of the WIA.

3 (d) Providers of Section 402 of the JTPA or Section 167
4 of the WIA services and GSBG employment and training
5 services shall be considered as initially eligible institutions
6 to provide training services consistent with Section
7 122(b) of the WIA.

8 (e) Policies for developing criteria for local eligible
9 service providers shall consider local economic,
10 geographic, and demographic factors as well as the
11 characteristics of populations served by providers,
12 including those of farmworkers, disadvantaged youth,
13 school dropouts, displaced homemakers, seniors,
14 veterans, welfare recipients and the homeless.

15 (f) Policies and criteria for determining initial and
16 subsequent provider eligibility shall consider the
17 demonstrated difficulty and experience in serving those
18 populations.

19 ~~5460.—This division~~

20 SEC. 2. This act shall become operative only if a
21 statute enacted during the 1999 portion of the 1999–2000
22 Legislative Session establishes a ~~State Workforce~~ the
23 California Work-Force Investment Board to administer
24 the federal Workforce Investment Act of 1998, in which
25 case this act shall become operative on the effective date
26 of that act or of this act, whichever is later.

27 ~~SEC. 2.~~

28 SEC. 3. This act is an urgency statute necessary for
29 the immediate preservation of the public peace, health,
30 or safety within the meaning of Article IV of the
31 Constitution and shall go into immediate effect. The facts
32 constituting the necessity are:

33 In order to implement the federal Workforce
34 Investment Act of 1998 in a timely manner, it is necessary
35 for this act to take effect immediately.

