

AMENDED IN SENATE APRIL 20, 2009

SENATE BILL

No. 410

Introduced by Senator Ducheny

February 26, 2009

An act to ~~add Section 14003.5 to~~ amend Sections 9600.5, 14000, and 14230 of, and to add Section 14230.7 to, the Unemployment Insurance Code, relating to workforce investment.

LEGISLATIVE COUNSEL'S DIGEST

SB 410, as amended, Ducheny. California Workforce Investment Act: federal funding.

(1) The federal Workforce Investment Act of 1998 provides for workforce investment activities, including activities in which states may participate. Existing law contains various programs for job training and employment investment, including work incentive and employment training outreach programs. Existing law establishes local workforce investment boards to implement and administer various workforce training and development programs in the state, and requires those local boards to establish at least one comprehensive one-stop career center in each local workforce investment area. Existing law further declares that it is the intent of the Legislature to deliver comprehensive workforce services to jobseekers, students, and employers at those comprehensive one-stop career centers to, among other things, make job outreach, intake, job search and placement assistance, and other related services available in one location.

This bill would also declare that it is the intent of the Legislature that other intensive services, such as out-of-area job search assistance, literacy activities related to workforce readiness, relocation assistance, internships, and work experience programs also be provided at those

one-stop career centers to individuals who have met specified requirements, based on an assessment or individual employment plan. The bill would also require the one-stop career centers, given sufficient resources, to take various actions with respect to the coordination and delivery of supportive services, as described, to individuals who are enrolled in job training programs, and would require local boards to develop a policy on supportive services, as specified. By imposing new duties on local entities, the bill would impose a state-mandated local program.

(2) Existing law requires the Employment Development Department to report annually to the Governor, the Legislature, and the California Workforce Investment Board, no later than November 30, regarding the training expenditures made by local workforce investment boards in the prior fiscal year, as provided.

This bill would revise the above reporting requirement, as specified.

(3) Existing law establishes the California Workforce Investment Board (CWIB), and requires the CWIB to assist the Governor with promoting the development, oversight, and continuous development of a well-educated and highly skilled workforce, and development of the State Workforce Investment Plan.

This bill would require the CWIB to develop policies, funding recommendations, and strategies that will maximize funding across all workforce programs for developing and enhancing the skills of Californians in order to meet the needs of California's businesses, as specified. The bill would require funding available through the federal American Recovery and Reinvestment Act of 2009 to be for increasing training services, and would require training priorities to be consistent with those identified in that act.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

~~The federal Workforce Investment Act of 1998 provides for workforce investment activities, including activities in which states may participate. 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, among other things, to assist the Governor with promoting the development of a well-educated and highly skilled workforce and developing the State Workplace Investment Plan.

This bill would express legislative findings and declarations with respect to the need to increase funding for job training provided under the act to ensure that an adequate percentage of the federal funding available is used for training purposes. The bill would require that, notwithstanding any other law, not less than 40% of the federal funds available to the state for use workforce investment pursuant to the federal Workforce Investment Act of 1998 be used for purposes related to employment training, and would prohibit the use of more than 3% of that amount for administrative costs related to the provision of that training.

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

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

- 1 SECTION 1. The Legislature finds and declares the following:
- 2 (a) California's unemployment rate has increased dramatically
- 3 in recent months, and now stands at a rate of approximately ~~9.3~~
- 4 *10.5* percent statewide. Over 30 of California's counties have
- 5 unemployment rates at or above 10 percent, and in the last year,
- 6 approximately 650,000 Californians have lost their jobs while the
- 7 total number of unemployed individuals in the state has risen to
- 8 over 1.7 million.
- 9 (b) Ensuring access to, and increasing the availability of, job
- 10 ~~training is training, supportive services needed for unemployed~~
- 11 *individuals to successfully enter and complete job training*
- 12 *programs, and work experience for youth and adults are vital to*
- 13 *California's economy and will help to ensure the survival of the*
- 14 *state's businesses and industry during challenging times.*
- 15 (c) Federal funding assistance for employment training is
- 16 critically needed to put Californians back to work.
- 17 (d) *Leveraging existing resources, through collaboration among*
- 18 *local workforce investment boards, community colleges, adult*
- 19 *education programs, including adult basic education, English as*
- 20 *a second language programs, regional occupational programs*

1 *and centers, and other publicly funded educational institutions,*
2 *in addition to registered apprenticeship and preapprenticeship*
3 *programs, is an effective way to increase the number of*
4 *Californians who have access to job training opportunities.*

5 ~~SEC. 2. Section 14003.5 is added to the Unemployment~~
6 ~~Insurance Code, to read:~~

7 ~~14003.5. (a) Notwithstanding any other law, not less than 40~~
8 ~~percent of the funds received by the state pursuant to the federal~~
9 ~~Workforce Investment Act for the purposes of this division shall~~
10 ~~be used for training purposes.~~

11 ~~(b) Not more than 3 percent of the funds used for training~~
12 ~~pursuant to subdivision (a) shall be used for administrative costs~~
13 ~~related to the provision of that training.~~

14 ~~SEC. 2. Section 9600.5 of the Unemployment Insurance Code~~
15 ~~is amended to read:~~

16 9600.5. The director of the Employment Development
17 Department shall report annually to the Governor, the Legislature,
18 and the California Workforce Investment Board, no later than
19 November 30, regarding the training expenditures made by local
20 workforce investment boards in the prior fiscal year. *This shall*
21 *include funds made available to California through the American*
22 *Recovery and Reinvestment Act of 2009 (Public Law 111-5).* The
23 department shall specify what expenditures qualify as training
24 expenditures, including, but not limited to, the price paid for
25 classroom instruction or other training opportunities, contracted
26 services for customized training and on-the-job training,
27 development of training materials, and *services provided in*
28 *one-stop career centers, such as* supportive services, including
29 *coaching and* case management, that enable a participant to attend
30 and complete training. The annual report shall specify the total
31 amount of federal funding provided to the state and to each of the
32 local workforce investment ~~areas~~ *boards* for the adult and
33 dislocated persons programs and the amount within each program
34 expended for training services. *The report shall also include*
35 *training expenditures incurred by organizations funded by the*
36 *Governor's 15 percent discretionary fund from the Workforce*
37 *Investment Act of 1998 (Public Law 105-220).*

38 ~~SEC. 3. Section 14000 of the Unemployment Insurance Code~~
39 ~~is amended to read:~~

1 14000. (a) The Legislature finds and declares that, in order
2 for California to remain prosperous and globally competitive, it
3 needs to have a highly skilled workforce.

4 (b) The Legislature recognizes all of the following:

5 (1) California must transform its current job training, job
6 placement, and vocational education programs into an integrated,
7 accessible, and accountable workforce investment system that can
8 effectively serve job seekers, students, and employers.

9 (2) California's workforce investment system must provide
10 lifelong learning for all Californians, promote self-sufficiency,
11 link education and training to economic development, and prepare
12 California to successfully compete in the global economy.

13 (3) The programs described in paragraphs (1) and (2) must be
14 accessible to all Californians, including persons with economic,
15 physical, or other barriers to employment.

16 (c) *The California Workforce Investment Board shall develop*
17 *policies, funding recommendations, and strategies that will*
18 *maximize funding across all workforce programs for developing*
19 *and enhancing the skills of Californians in order to meet the needs*
20 *of California's businesses. To do this, it shall use the following*
21 *guiding principles:*

22 (1) *Investing in regional workforce and economic development*
23 *strategies to build prosperous communities and competitive*
24 *industries.*

25 (2) *Providing all Californians with access to high-quality*
26 *postsecondary education and skills training.*

27 (3) *Providing working adults with opportunities to move up the*
28 *skill ladder.*

29 (4) *Linking workforce preparation and institutions to create*
30 *pathways to high wage jobs.*

31 (5) *Aligning program goals and measures to achieve a shared*
32 *vision of California's future and to ensure accountability.*

33 (d) *Individuals who are recently laid off from work need to*
34 *quickly access job training and develop necessary skills to reenter*
35 *the labor force. It is the intent of the Legislature that local*
36 *workforce investment boards and community colleges develop*
37 *innovative strategies to provide training that accommodates the*
38 *needs of unemployed or underemployed adults, can provide*
39 *certificates and credentials through flexible schedules, and*

1 *implement new approaches to delivering job skills training and*
2 *education.*

3 *(e) Priority for funding available through the American*
4 *Recovery and Reinvestment Act of 2009 (Public Law 111-5) shall*
5 *be used for increasing training services insofar as is consistent*
6 *with that act. This funding shall not supplant funds currently being*
7 *spent on training, nor decrease the leveraging of resources among*
8 *training institutions and workforce investment boards. Training*
9 *priorities shall be consistent with those identified in the American*
10 *Recovery and Reinvestment Act of 2009 (Public Law 111-5),*
11 *including green jobs and health care.*

12 *SEC. 4. Section 14230 of the Unemployment Insurance Code*
13 *is amended to read:*

14 14230. (a) It is the intent of the Legislature that:

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

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

20 (3) Universal access to core services shall be available to adult
21 residents regardless of income, education, employment barriers,
22 or other eligibility requirements. Core services shall include, but
23 not be limited to:

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

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

28 (C) Job search and placement assistance.

29 (D) Career counseling, where appropriate.

30 (E) Provision of labor market information.

31 (F) Provision of program performance and cost information on
32 eligible providers of training services and local area performance
33 measures.

34 (G) Provision of information on supportive services in the local
35 area.

36 (H) Provision of information on the filing of claims for
37 unemployment compensation benefits and unemployment
38 compensation disability benefits.

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

4 (4) State and federally funded workforce education, training,
5 and employment programs shall be integrated in the one-stop
6 delivery system to achieve universal access to the core services
7 described in paragraph (3).

8 (5) (A) Intensive services shall be available to individuals who
9 have completed at least one core service, have been unable to
10 obtain employment, and who have been determined, by the
11 one-stop operator, as being in need of more intensive services, or
12 who are employed but in need of intensive services to obtain or
13 retain employment to achieve self-sufficiency. ~~Intensive~~

14 (B) *Intensive* services may include comprehensive and
15 specialized assessments of skill levels and service needs, including
16 learning disability screening, the development of individual
17 employment plans, counseling, career planning, and short-term
18 prevocational services to prepare an individual for training and
19 employment.

20 (C) *Other intensive services such as out-of-area job search*
21 *assistance, literacy activities related to workforce readiness,*
22 *relocation assistance, internships, and work experience programs*
23 *may be made available to individuals who have met the*
24 *requirements for intensive services based on an assessment or*
25 *individual employment plan.*

26 (D) *For the purposes of this paragraph, “work experience”*
27 *means a planned, structured, learning experience that takes place*
28 *in a workplace for a limited period of time. Work experience may*
29 *be paid or unpaid, as appropriate. A work experience workplace*
30 *may be in the private for-profit sector, the nonprofit sector, or the*
31 *public sector. Labor standards shall apply in any work experience*
32 *where an employee-employer relationship, as defined by the Fair*
33 *Labor Standards Act (29 U.S.C. Sec. 201, et seq.), exists.*

34 (6) Training services shall be made available to individuals who
35 have met the requirements for intensive services, have been unable
36 to obtain or retain employment through these services, and who,
37 after an interview, evaluation, or assessment, are determined to be
38 in need of training, and have selected a program of services directly
39 linked to occupations in demand in the local or regional area.
40 Training services may include:

- 1 (A) Occupational skill training including training for
2 nontraditional employment.
- 3 (B) On-the-job training.
- 4 (C) Programs that combine workplace training with related
5 instruction.
- 6 (D) Training programs operated by the private sector.
- 7 (E) Skill upgrading and retraining.
- 8 (F) Entrepreneurial training.
- 9 (G) Job readiness training.
- 10 (H) Adult education and literacy activities, including vocational
11 English as a second language, provided in combination with
12 subparagraphs (A) through (G), inclusive.
- 13 (I) *Preapprenticeship and registered apprenticeship training.*
14 *For the purposes of this section, entrance into a registered*
15 *apprenticeship program shall be considered placement into a job.*
- 16 (J) Customized training conducted by an employer or a group
17 of employers or a labor-management training partnership with a
18 commitment to employ an individual upon completion of the
19 training.
- 20 (7) As prescribed in the Workforce Investment Act of 1998,
21 when funds are limited, priority for intensive services and training
22 services shall be given to adult recipients of public assistance and
23 other low-income adults, such as CalWORKs participants.
- 24 (b) Each local workforce investment board shall establish at
25 least one full service one-stop career center in the local workforce
26 investment area. Each full service one-stop career center shall have
27 all entities specified in Section 14231 as partners and shall provide
28 jobseekers with integrated employment, education, training, and
29 job search services. Additionally, employers will be provided with
30 access to comprehensive career and labor market information, job
31 placement, economic development information, performance and
32 program information on service providers, and other such services
33 as the businesses in the community may require.
- 34 (c) Local boards may also establish affiliated and specialized
35 centers, as defined in the Workforce Investment Act of 1998, which
36 shall act as portals into the larger local one-stop system, but are
37 not required to have all of the partners specified for full service
38 one-stop centers.
- 39 (d) Each local board shall develop a policy for identifying
40 individuals who, because of their skills or experience, should be

1 referred immediately to training services. This policy, along with
2 the methods for referral of individuals between the one-stop
3 operators and the one-stop partners for appropriate services and
4 activities, shall be contained in the memorandum of understanding
5 between the local board and the one-stop partners.

6 (e) In light of California's diverse population, each one-stop
7 career center should have the capacity to provide the appropriate
8 services to the full range of languages and cultures represented in
9 the community served by the one-stop career center.

10 SEC. 5. Section 14230.7 is added to the Unemployment
11 Insurance Code, to read:

12 14230.7. (a) One-stop career centers, if given sufficient
13 resources, shall coordinate with training providers and educational
14 institutions and agencies to deliver comprehensive supportive
15 services to individuals enrolled in job training programs.
16 Supportive services may include, but are not limited to,
17 transportation, child care, dependent care, housing, and
18 needs-related payments that are necessary to enable a person to
19 participate in the workforce training and development activities
20 authorized under this division. In order to receive needs-related
21 payments, adult participants shall meet all of the following criteria:

22 (1) Be unemployed.

23 (2) Not qualify for, or have ceased qualifying for, unemployment
24 compensation.

25 (3) Be enrolled in a program of training services.

26 (b) Local boards shall develop a policy, in consultation with
27 one-stop career center partners and other community service
28 providers, to ensure resource and service coordination in the local
29 workforce area. The policy shall address procedures for the
30 referral of unemployed individuals to providers of supportive
31 services and funding options to cover the cost of providing those
32 services.

33 (c) Supportive services under this section shall only be provided
34 to individuals who are enrolled in training services, but who are
35 unable to obtain those supportive services from other state
36 programs that offer similar services.

37 (d) Local boards may establish limits on the provision of
38 supportive services pursuant to this section, including a limit on
39 the maximum amount of funding and maximum length of time for
40 providing support services to eligible participants.

1 *SEC. 6. If the Commission on State Mandates determines that*
2 *this act contains costs mandated by the state, reimbursement to*
3 *local agencies and school districts for those costs shall be made*
4 *pursuant to Part 7 (commencing with Section 17500) of Division*
5 *4 of Title 2 of the Government Code.*

O