AMENDED IN ASSEMBLY JUNE 27, 2016 AMENDED IN SENATE MARCH 9, 2015

SENATE BILL No. 45

Introduced by Senator Mendoza

December 12, 2014

An act to amend Sections 14000, 14005, and 14010 of, and to add Article 4 (commencing with Section 14240) to Chapter 4 of Division 7 of, the Unemployment Insurance Code, relating to workforce development. An act to add Section 89003 to the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 45, as amended, Mendoza. Workforce development: federal Workforce Innovation and Opportunity Act. Political Reform Act of 1974: mass mailing prohibition.

The Political Reform Act of 1974 prohibits mass mailings from being sent at public expense. The act defines "mass mailing" as over 200 substantially similar pieces of mail, not including form letters or other mail, that are sent in response to an unsolicited request, letter, or other inquiry. Existing regulations of the Fair Political Practices Commission add further definitional criteria for mass mailings and specify certain exceptions to the act's prohibition against mass mailings.

This bill would prohibit a mass mailing that complies with the Commission's regulatory criteria from being sent within the 90 days preceding an election by or on behalf of a candidate whose name will appear on the ballot for a city, county, or special district elective office.

A willful violation of the act's provisions is punishable as a misdemeanor. By expanding the scope of an existing crime, this bill would impose a state-mandate local program.

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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 no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a 2 $|_{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

The federal Workforce Investment Act of 1998 (WIA) authorizes workforce investment activities, including activities in which states may participate. The federal Workforce Innovation and Opportunity Act (WIOA), beginning July 1, 2015, repeals and supersedes the WIA and, among other things, requires a state, in order to receive specified allotments of federal funds and before the second full program year after July 22, 2014, to identify planning regions and require local boards and chief elected officials to prepare regional plans for those planning regions, as specified.

The California Workforce Investment Act requires the California Workforce Investment Board to develop and update a state workforce investment plan, as specified. Existing law requires each local board to develop and submit to the Governor a comprehensive 5-year local plan in partnership with the appropriate chief local elected officials that is consistent with the state workforce investment plan.

This bill would require the state, in conformity with WIOA and after consultation with local boards and chief elected officials, to identify planning regions. The bill would require local boards and chief elected officials to prepare regional plans for those planning regions, as specified. By imposing this requirement on local government, the bill would impose a state-mandated local program. The bill would also require the board to aid the Governor in facilitating system alignment across the core programs of WIOA, as defined, and make related and conforming changes.

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 no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. Section 89003 is added to the Government Code, 2 to read:

- 89003. (a) A mass mailing shall not be sent within the 90 days preceding an election by or on behalf of a candidate whose name will appear on the ballot at that election for a city, county, or special district elective office.
- (b) For purposes of this section, "mass mailing" means a mass mailing, as defined by Section 82041.5, that meets the criteria of subdivision (a) of Section 18901 of Title 2 of the California Code of Regulations and, pursuant to subdivision (b) of Section 18901 of Title 2 of the California Code of Regulations, is not prohibited by Section 89001.
- SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.
- SEC. 3. The Legislature finds and declares that this bill furthers the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.
- 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:

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(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, eommunity 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 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 and career pathways.
- (B) Building partnerships, aligning strategies, and leveraging resources across education, social services, and workforce training delivery systems to build a career pipeline 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

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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" means 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

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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

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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:
- 21 (A) State or local government.

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- (B) State or local economic development agencies.
- 23 (C) Other state or local agencies.
- 24 (D) Chambers of commerce.
- 25 (E) Nonprofit organizations.
- 26 (F) Philanthropic organizations.
- 27 (G) Economic development organizations.
- 28 (H) Industry associations.
- 29 (I) Other organizations, as determined necessary by the members 30 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.
- 39 (n) "Sector strategies" means methods of prioritizing 40 investments in competitive and emerging industry sectors and

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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) "Labor market area" means an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence. Labor market areas shall be identified in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor or similar criteria established by the Governor.
- (q) "Recognized postsecondary credential" means a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by a state involved or the federal government, or an associate or baccalaureate degree.

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(r) "Core program" means a program authorized under a core program provision of the federal Workforce Innovation and Opportunity Act (Public Law 113-128).

- (s) "Core program provision" means any of the following:
- (1) Subparts 2 and 3 of Part B of Subchapter I of Chapter 32 of Title 29 of the United States Code.
- (2) Subchapter II of Chapter 32 of Title 29 of the United States Code.
- (3) Sections 1 to 13, inclusive, of the federal Wagner-Peyser Act (29 U.S.C. Sec. 49 et seq.).
- (4) Title I of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 720 et seq.), excluding Section 112 (29 U.S.C. 732) and Part C (29 U.S.C. Sec. 741).
- SEC. 3. Section 14010 of the Unemployment Insurance Code is amended to read:

14010. The California Workforce Investment Board is the body responsible for assisting the Governor in the development, oversight, and continuous improvement of California's workforce system and the alignment of the education and workforce systems to the needs of the 21st century economy and workforce. The board shall aid the Governor in facilitating system alignment across the core programs of the federal Workforce Innovation and Opportunity Act (Public Law 113-128) as well as other educational, social service, rehabilitation, and economic development agencies the Governor chooses to bring together in partnership.

SEC. 4. Article 4 (commencing with Section 14240) is added to Chapter 4 of Division 7 of the Unemployment Insurance Code, to read:

Article 4. Regional Planning

- 14240. The state shall, in conformity with the federal Workforce Innovation and Opportunity Act (Public Law 113-128), after consultation with local boards and chief elected officials, and pursuant to a process consistent with the considerations described in Section 3121(b)(1)(B) of Title 29 of the United States Code, identify all of the following:
- (a) The regions comprised of one local area aligned with the region.

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(b) The regions comprised of two or more local areas collectively aligned with the region. These regions shall be referred to as planning regions, consistent with Section 3102 of Title 29 of the United States Code.

- (c) The regions identified pursuant to subdivision (b) that are interstate areas contained within two or more states and consist of labor market areas, economic development areas, or other appropriate contiguous subareas of those states.
- 14241. (a) The local boards and chief elected officials in each planning region described in subdivision (b) or (c) of Section 14240 shall engage in a regional planning process that results in all of the following:
- (1) The preparation of a regional plan, as described in subdivision (b).
- (2) The establishment of regional service strategies, including the use of cooperative service delivery agreements.
- (3) The development and implementation of sector initiatives for in-demand industry sectors or occupations for the region.
- (4) The collection and analysis of regional labor market data, in conjunction with the state.
- (5) The establishment of administrative cost arrangements, including the pooling of funds for administrative costs, as appropriate, for the region.
- (6) The coordination of transportation and other supportive services, as appropriate, for the region.
- (7) The coordination of services with regional economic development services and providers.
- (8) The establishment of an agreement concerning how the planning region will collectively negotiate and reach agreement with the Governor on local levels of performance for, and report on, the performance accountability measures described in Section 3141(e) of Title 29 of the United States Code for local areas or the planning region.
- (b) The state, after consultation with local boards and chief elected officials for the planning regions, shall require the local boards and chief elected officials within a planning region to prepare, submit, and obtain approval of a single regional plan that includes a description of the activities described in subdivision (a) and incorporates local plans for each of the local areas in the planning region. The state shall provide technical assistance and

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- labor market data, as requested by local areas, to assist with the
 regional planning and subsequent service delivery efforts.
- 3 SEC. 5. No reimbursement is required by this act pursuant to
- 4 Section 6 of Article XIIIB of the California Constitution because
- 5 this act implements a federal law or regulation and results only in
- 6 costs mandated by the federal government, within the meaning of
- 7 Section 17556 of the Government Code.