

AMENDED IN ASSEMBLY AUGUST 17, 2015

AMENDED IN ASSEMBLY JULY 1, 2015

SENATE BILL

No. 342

Introduced by Senator Jackson

February 23, 2015

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

LEGISLATIVE COUNSEL'S DIGEST

SB 342, as amended, 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.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

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

1 SECTION 1. Section 14000 of the Unemployment Insurance
2 Code is amended to read:
3 14000. (a) The Legislature finds and declares that, in order
4 for California to remain prosperous and globally competitive, it
5 needs to have a well-educated and highly skilled workforce.
6 (b) The Legislature finds and declares that the following
7 principles shall guide the state’s workforce investment system:
8 (1) Workforce investment programs and services shall be
9 responsive to the needs of employers, workers, and students by
10 accomplishing the following:
11 (A) Preparing California’s students and workers with the skills
12 necessary to successfully compete in the global economy.
13 (B) Producing greater numbers of individuals who obtain
14 industry-recognized certificates and degrees in competitive and
15 emerging industry sectors and filling critical labor market skills
16 gaps.
17 (C) Adapting to rapidly changing local and regional labor
18 markets as specific workforce skill requirements change over time.
19 (D) Preparing workers for good-paying jobs that foster economic
20 security and upward mobility.
21 (2) State and local workforce investment boards are encouraged
22 to collaborate with other public and private institutions, including
23 businesses, unions, nonprofit organizations, kindergarten and
24 grades 1 to 12, inclusive, career technical education programs,
25 adult career technical education and basic skills programs,
26 community college career technical education and basic skills
27 programs, entrepreneurship training programs, where appropriate,

1 the California Community Colleges Economic and Workforce
2 Development Program, and the Employment Training Panel, to
3 better align resources across workforce education and training
4 service delivery systems and build a well-articulated workforce
5 investment system by accomplishing the following:

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

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

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

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

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

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

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

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

39 *SEC. 1.5. Section 14000 of the Unemployment Insurance Code*
40 *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 well-educated and highly skilled workforce.

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

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

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

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

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

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

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

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

36 (A) Adopting local and regional training and education strategies
37 *which include workplace-based earn and learn programs* that
38 build on the strengths and fill the gaps in the education and
39 workforce development pipeline in order to address the needs of

1 job seekers, workers, and employers within regional labor markets
2 by supporting sector strategies.

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

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

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

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

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

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

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

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

32 14005. For purposes of this division:

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

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

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

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

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

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

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

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

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

33 (j) “Industry cluster” means a geographic concentration or
34 emerging concentration of interdependent industries with direct
35 service, supplier, and research relationships, or independent
36 industries that share common resources in a given regional
37 economy or labor market. An industry cluster is a group of
38 employers closely linked by common product or services,
39 workforce needs, similar technologies, and supply chains in a given
40 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.

1 (H) Industry associations.

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

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

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

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

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

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

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

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

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

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

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

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

(A) Combines ~~applied learning~~ *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—~~Investment~~ *Development* Board.

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

(c) “Career pathways,” “career ladders,” or “career lattices” ~~mean~~ *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*

1 of 1937 (29 U.S.C. Sec. 50 et seq.), except as in Section 3226 of
2 Title 29 of the United States Code.

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

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

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

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

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

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

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

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

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

37 (h) "High-priority occupations" mean occupations that have a
38 significant presence in a targeted industry sector or industry cluster,
39 are in—~~demand~~ demand, or projected to be in demand, by

1 employers, and pay or lead to payment of a wage that provides
2 economic security.

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

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

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

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

23 (i)

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

33 (1) *Displaced homemakers.*

34 (2) *Low-income individuals.*

35 (3) *Indians, Alaska Natives, and Native Hawaiians, as those*
36 *terms are defined in Section 3221 of Title 29 of the United States*
37 *Code.*

38 (4) *Individuals with disabilities, including youths who are*
39 *individuals with disabilities.*

40 (5) *Older individuals.*

- 1 (6) *Ex-offenders.*
- 2 (7) *Homeless individuals, as defined in Section 14043e-2(6) of*
3 *Title 42 of the United States Code, or homeless children and*
4 *youths, as defined in Section 11434a(2) of Title 42 of the United*
5 *States Code.*
- 6 (8) *Youth who are in, or have aged out of, the foster care system.*
- 7 (9) *Individuals who are English language learners, individuals*
8 *who have low levels of literacy, and individuals facing substantial*
9 *cultural barriers.*
- 10 (10) *Eligible migrant and seasonal farmworkers, as defined in*
11 *Section 3322(i) of Title 29 of the United States Code.*
- 12 (11) *Individuals within two years of exhausting lifetime*
13 *eligibility under Part A of Title IV of the Social Security Act (42*
14 *U.S.C. Sec. 601 et seq.).*
- 15 (12) *Single parents, including single, pregnant women.*
- 16 (13) *Long-term unemployed individuals.*
- 17 (14) *Any other groups as the Governor determines to have*
18 *barriers to employment.*
- 19 (j)
- 20 (k) “Industry cluster” means a geographic concentration or
21 emerging concentration of interdependent industries with direct
22 service, supplier, and research relationships, or independent
23 industries that share common resources in a given regional
24 economy or labor market. An industry cluster is a group of
25 employers closely linked by common product or services,
26 workforce needs, similar technologies, and supply chains in a given
27 regional economy or labor market.
- 28 (l) “Industry or sector partnership” means a workforce
29 collaborative, convened or acting in partnership with the board
30 or a local board, that does the following:
- 31 ~~(k) (1) “Industry or sector partnership” means a workforce~~
32 ~~collaborative that organizes~~
- 33 (1) ~~Organizes key stakeholders in a targeted~~ an industry cluster
34 into a working group that focuses on the ~~workforce~~ shared goals
35 and human resources needs of the ~~targeted industry cluster.~~ An
36 ~~industry or sector partnership organizes the stakeholders connected~~
37 ~~with a specific local or regional industry—multiple firms, labor~~
38 ~~groups, education and training providers, and workforce and~~
39 ~~education systems—to develop workforce development strategies~~
40 ~~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. *industry cluster and that includes, at the appropriate stages of development of the partnership:*

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

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

(B) ~~One or more representatives of a recognized state labor organizations, organization or central labor coalitions, council, or other labor organizations, except in instances where no labor representations exists. another labor representative, as appropriate.~~

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

(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:~~

(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)

(F) Other state or local agencies.

(G) Chambers of commerce.

(H) Nonprofit organizations.

- 1 ~~(F) Philanthropic organizations.~~
2 *(F) Business or trade associations.*
3 *(G) Economic development organizations.*
4 *(H) Nonprofit organizations, community-based organizations,*
5 *or intermediaries.*
6 *(I) Philanthropic associations.*
7 ~~(H)~~
8 *(J) Industry associations.*
9 ~~(I)~~
10 *(K) Other organizations, as determined to be necessary by the*
11 *members comprising the industry or sector or partnership.*
12 ~~(I)~~
13 *(m) “Industry sector” means those firms that produce similar*
14 *products or provide similar services using somewhat similar*
15 *business processes, and are closely linked by workforce needs,*
16 *within a regional labor market.*
17 ~~(m)~~
18 *(n) “Local labor federation” means a central labor council that*
19 *is an organization of local unions affiliated with the California*
20 *Labor Federation or a local building and construction trades council*
21 *affiliated with the State Building and Construction Trades Council.*
22 *Council of California.*
23 ~~(n)~~
24 *(o) “Sector strategies” means methods of prioritizing*
25 *investments in competitive and emerging industry sectors and*
26 *industry clusters on the basis of labor market and other economic*
27 *data indicating strategic growth potential, especially with regard*
28 *to jobs and income, and exhibit the following characteristics:*
29 *(1) Focus workforce investment in education and workforce*
30 *training programs that are likely to lead to jobs providing economic*
31 *security or to an entry-level job with a well-articulated career*
32 *pathway into a job providing economic security.*
33 *(2) Effectively boost labor productivity or reduce business*
34 *barriers to growth and expansion stemming from workforce supply*
35 *problems, including skills gaps and occupational shortages by*
36 *directing resources and making investments to plug skills gaps*
37 *and provide education and training programs for high-priority*
38 *occupations.*
39 *(3) May be implemented using articulated career pathways or*
40 *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.

~~(e)~~

(p) “~~Workforce Investment~~ *Innovation and Opportunity Act of 1998*” 2014” means the federal act enacted as Public Law ~~105-220~~ 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 (1) Developing policies to guide the one-stop system.

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

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

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

11 (5) To the extent permissible under state and federal laws,
12 recommending youth policies and strategies that support linkages
13 between kindergarten and grades 1 to 12, inclusive, and community
14 college educational systems and youth training opportunities in
15 order to help youth secure educational and career advancement.
16 These policies and strategies may be implemented using a sector
17 strategies framework and should ultimately lead to placement in
18 a job providing economic security or job placement in an
19 entry-level job that has a well-articulated career pathway or career
20 ladder to a job providing economic security.

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

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

28 (B) On-the-job training.

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

31 (D) Training programs operated by the private sector.

32 (E) Skill upgrading and retraining.

33 (F) Entrepreneurial training.

34 (G) Job readiness training.

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

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

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

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

7 (2) Reviewing local workforce investment plans.

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

14 (e) Commenting, at least once annually, on the measures taken
15 pursuant to the Carl D. Perkins Vocational and Applied Technology
16 Education Act Amendments of 1990 (Public Law 101-392; 20
17 U.S.C. Sec. 2301 et seq.).

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

20 (1) Consultations with the Governor.

21 (2) Consultations with the chief local elected officials.

22 (3) Consideration of comments received through the public
23 comment process, as described in Section 112(b)(9) of the federal
24 Workforce Investment Act of 1998.

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

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

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

36 (j) Recommending policy for the development of the statewide
37 employment statistics system, including workforce and economic
38 data, as described in Section 491-2 of Title 29 of the United States
39 Code, and using, to the fullest extent possible, the Employment

1 Development Department's existing labor market information
2 systems.

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

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

9 (m) Recommending policy to the Governor for the use of the
10 25-percent rapid response funds, as authorized under the federal
11 Workforce Investment Act of 1998.

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

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

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

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

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

39 (D) Measure participant earnings in California, and to the extent
40 feasible, in other states. The Employment Development Department

1 shall assist the board by calculating aggregated participant earnings
2 using unemployment insurance wage records, without violating
3 any applicable confidentiality requirements.

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

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

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

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

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

30 14013. The board shall assist the Governor in the following:

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

33 ~~(b) Developing the State Workforce Investment Plan.~~

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

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

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

11 *(e)*

12 ~~*(d) Developing guidelines for the continuous improvement and*~~
13 ~~*operation of the and continuously improving the statewide*~~
14 ~~*workforce investment system, including:*~~

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

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

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

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

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

28 ~~*(5)*~~

29 ~~*(2) The development of strategies to support the use of career*~~
30 ~~*pathways for the purpose of providing individuals, including*~~
31 ~~*low-skilled adults, youth, and individuals with barriers to*~~
32 ~~*employment, and including individuals with disabilities, with*~~
33 ~~*workforce investment activities, education, and supportive services*~~
34 ~~*to enter or retain employment. To the extent permissible under*~~
35 ~~*state and federal laws, recommending youth these policies and*~~
36 ~~*strategies that should support linkages between kindergarten and*~~
37 ~~*grades 1 to 12, inclusive, and community college educational*~~
38 ~~*systems and youth training opportunities in order to help youth*~~
39 ~~*secure educational and career advancement. These policies and*~~
40 ~~*strategies may be implemented using a sector strategies framework*~~

1 and should ultimately lead to placement in a job providing
2 economic security or job placement in an entry-level job that has
3 a well-articulated career pathway or career ladder to a job providing
4 economic security.

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

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

19 ~~(6) To the extent permissible under state and federal law,~~
20 ~~recommending~~

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

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

27 (B) On-the-job training.

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

30 ~~(C)~~

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

33 ~~(D)~~

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

35 ~~(E)~~

36 (F) Skill upgrading and retraining.

37 ~~(F)~~

38 (G) Entrepreneurial training.

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

- 1 ~~(G)~~
2 ~~(I) Job readiness training; training provided in combination with~~
3 ~~any of the services described in subparagraphs (A) to (H),~~
4 ~~inclusive.~~
5 ~~(H)~~
6 ~~(J) Adult education and literacy activities provided in~~
7 ~~combination with any of the services described in this paragraph.~~
8 ~~subparagraphs (A) to (G), inclusive.~~
9 ~~(I)~~
10 ~~(K) Customized training conducted with a commitment by an~~
11 ~~employer or group of employers to employ an individual upon~~
12 ~~successful completion of the training.~~
13 ~~(d) Developing and continuously improving the statewide~~
14 ~~workforce investment system as delivered via the one-stop delivery~~
15 ~~system and via other programs and services supported by funding~~
16 ~~from the federal Workforce Investment Act of 1998, including:~~
17 ~~(1) Developing linkages in order to ensure coordination and~~
18 ~~nonduplication among workforce programs and activities.~~
19 ~~(2) Reviewing local workforce investment plans.~~
20 ~~(3) Leveraging state and federal funds to ensure that resources~~
21 ~~are invested in activities that meet the needs of the state's~~
22 ~~competitive and emerging industry sectors and advance the~~
23 ~~education and employment needs of students and workers so they~~
24 ~~can keep pace with the education and skill needs of the state, its~~
25 ~~regional economies, and leading industry sectors.~~
26 ~~(e) Commenting, at least once annually, on the measures taken~~
27 ~~pursuant to the Carl D. Perkins Vocational and Applied Technology~~
28 ~~Education Act Amendments of 1990 (Public Law 101-392; 20~~
29 ~~U.S.C. Sec. 2301 et seq.).~~
30 ~~(f) Designating local workforce investment areas within the~~
31 ~~state based on information derived from all of the following:~~
32 ~~(1) Consultations with the Governor.~~
33 ~~(2) Consultations with the chief local elected officials.~~
34 ~~(3) Consideration of comments received through the public~~
35 ~~comment process, as described in Section 112(b)(9) of the federal~~
36 ~~Workforce Investment Act of 1998.~~
37 ~~(g) Developing and modifying allocation formulas, as necessary,~~
38 ~~for the distribution of funds for adult employment and training~~
39 ~~activities, for youth activities to local workforce investment areas;~~

1 and dislocated worker employment and training activities, as
2 permitted by federal law.

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

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

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

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

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

26 (k)

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

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

33 (m) ~~Recommending policy to the Governor for the use of the~~
34 ~~25-percent rapid response funds, as authorized under the federal~~
35 ~~Workforce Investment Act of 1998.~~

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

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

4 (i) *The development and updating of comprehensive state*
5 *performance accountability measures, including state adjusted*
6 *levels of performance, to assess the effectiveness of the core*
7 *programs in the state as required under Section 3141(b) of Title*
8 *29 of the United States Code. As part of this process the board*
9 *shall do all of the following:*

10 ~~(e) (1) Developing~~

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

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

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

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

35 (D) Measure participant earnings in California, and to the extent
36 feasible, in other states. The Employment Development Department
37 shall assist the board by calculating aggregated participant earnings
38 using unemployment insurance wage records, without violating
39 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 ~~clause~~ 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 (1) *Objective criteria and procedures for use by local boards*
2 *in assessing the effectiveness and continuous improvement of*
3 *one-stop centers described in Section 3151(e) of Title 29 of the*
4 *United States Code.*

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

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

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

15 (1) *Enhance digital literacy skills, as defined in Section 9101*
16 *of Title 20 of the United States Code, referred to in this division*
17 *as “digital literacy skills.”*

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

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

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

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

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

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

1

(p) The development of the statewide workforce and labor
2 market information system described in Section 491–2(e) of Title
3 29 of the United States Code.

4

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

7

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

13

SEC. 4. (a) Section 1.5 of this bill incorporates amendments
14 to Section 14000 of the Unemployment Insurance Code proposed
15 by both this bill and Assembly Bill 1270. It shall only become
16 operative if (1) both bills are enacted and become effective on or
17 before January 1, 2016, (2) each bill amends Section 14000 of the
18 Unemployment Insurance Code, and (3) this bill is enacted after
19 Assembly Bill 1270, in which case Section 1 of this bill shall not
20 become operative.

21

(b) Section 2.5 of this bill incorporates amendments to Section
22 14005 of the Unemployment Insurance Code proposed by both
23 this bill and Assembly Bill 1270. It shall only become operative if
24 (1) both bills are enacted and become effective on or before
25 January 1, 2016, (2) each bill amends Section 14005 of the
26 Unemployment Insurance Code, and (3) this bill is enacted after
27 Assembly Bill 1270, in which case Section 2 of this bill shall not
28 become operative.

29

(c) Section 3.5 of this bill incorporates amendments to Section
30 14013 of the Unemployment Insurance Code proposed by both
31 this bill and Assembly Bill 1270. It shall only become operative if
32 (1) both bills are enacted and become effective on or before
33 January 1, 2015, (2) each bill amends Section 14013 of the
34 Unemployment Insurance Code, and (3) this bill is enacted after
35 Assembly Bill 1270, in which case Section 3 of this bill shall not
36 become operative.

O