

**Assembly Bill No. 382**

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Passed the Assembly    February 19, 1998

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*Chief Clerk of the Assembly*

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Passed the Senate    February 19, 1998

\_\_\_\_\_  
*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_ day  
of \_\_\_\_\_, 1998, at \_\_\_\_ o'clock \_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*



## CHAPTER \_\_\_\_

An act to add Chapter 3 (commencing with Section 10000) to Part 1 of Division 3 of the Unemployment Insurance Code, and to amend Section 10531 of the Welfare and Institutions Code, relating to employment services, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

AB 382, Ducheny. Needy families: job training.

Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program, under which each county provides cash assistance and other benefits to qualified low-income families. Each county is required to pay a share of the cost of both aid grant and administrative costs for the CalWORKs program.

Existing law establishes various employment and training programs, including welfare-to-work programs for CalWORKs recipients.

Existing federal law provides for a program under which grant funds are provided to states for welfare-to-work programs.

This bill would enact provisions implementing this program in California, including requirements for the allocation of these federal funds by the department, as well as provisions governing their expenditure by grantees.

The bill would, commencing April 1, 1999, require the Employment Development Department to submit annual reports to the Legislature on this program.

The bill would appropriate, out of federal funds received for this purpose, \$161,855,000, to the department, for implementation of this program during the 1997–98 fiscal year.

Existing law requires each county to develop a plan that describes how the county intends to deliver the full



range of activities and services necessary to move CalWORKs recipients from welfare to work, and specifies those elements that must be included in the plan.

This bill would revise the elements of that plan by requiring each county's plan to describe how the county will coordinate welfare-to-work activities with the local private industry councils or alternate local administrative entities designated by the Governor to administer these programs, thus creating a state-mandated local program.

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, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

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.

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

Appropriation: yes.

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

SECTION 1. Chapter 3 (commencing with Section 10000) is added to Part 1 of Division 3 of the Unemployment Insurance Code, to read:

CHAPTER 3. WELFARE-TO-WORK GRANT PROGRAM

10000. It is the intent of the Legislature, in enacting this chapter, to implement federal welfare-to-work grant program provisions provided for pursuant to the federal Balanced Budget Act of 1997 (Public Law 105-33).

10001. There is hereby appropriated from moneys in the Federal Trust Fund received from the United States Department of Labor pursuant to the federal



welfare-to-work grant program, to the department the sum of one hundred sixty-one million eight hundred fifty-five thousand dollars (\$161,855,000), for the 1997-98 fiscal year, in order to implement the federal welfare-to-work program. Moneys appropriated pursuant to this section shall be allocated by the department in accordance with this chapter and Public Law 105-33. The funds appropriated pursuant to this section shall be used to supplement and support activities to transition individuals eligible under the federal welfare-to-work program into self-sufficiency.

10002. To the extent permitted by federal law, the department shall do all of the following in implementing this chapter:

(a) Certify that each local welfare-to-work plan has been approved, as evidenced by signatures of the chairperson of the private industry council or the alternate local administrative entity designated by the Governor to administer the local welfare-to-work program, and the chief local elected official of the affected jurisdiction, and by approval by the county board of supervisors at a public meeting.

(b) Certify that the plan demonstrates evidence of collaboration between local work force and development partners and local economic development organizations.

(c) Allow multiple private industry councils or the alternate administrative entities designated by the Governor, within a single county, to combine their welfare-to-work grant program plans into a single, countywide welfare-to-work grant program plan that is signed by all affected private industry councils or alternate local administrative entities and the chief local elected officials in the affected jurisdictions, and that includes an approval by the county board of supervisors at a public meeting. The combined welfare-to-work plan shall describe the overall approach to be taken in the county, the coordination efforts that have been made in developing the plan, any uniform agreements reached with the county welfare department, regarding referral and case management, and any common definitions that



will be used by all private industry councils or alternate local administrative entities. All other requirements contained in the local welfare-to-work grant plan instructions shall be clearly delineated for each private industry council or alternate local administrative entity, including identification of the responsible entity's target population to be served, the activities that will be offered, performance goals, and expenditure and participant planning information.

(d) Certify that the private industry council or the alternate local administrative entity designated by the Governor, and the county welfare department, through a local joint planning process, have developed protocols for the identification and referral of clients and the provision of welfare-to-work services, as a condition for the receipt of those federal funds.

(e) Develop procedures to recapture unused funds and redistribute them to private industry councils or alternate local administrative entities designated by the Governor, which demonstrate a continued need for additional funds.

(f) Certify that the plan documents collaboration with the local lead agency responsible for coordination with the welfare-to-work job creation task force, established pursuant to paragraph (1) of subdivision (g) of Section 15365.55 of the Government Code.

10003. (a) Subject to subdivision (d), the department shall distribute 85 percent of the federal welfare-to-work grant funds to private industry councils or alternate local administrative entities designated by the Governor, according to the variables defined in the federal welfare-to-work program, and consistent with the following formula:

(1) A weight of 55 percent shall be given based on the relative number, as determined pursuant to federal law, by which the population in the area below the poverty line exceeds 7.5 percent of the total population.

(2) A weight of 30 percent shall be based upon the relative number of adults residing in the plan's service area who are receiving assistance under a state program



funded in part through the federal Temporary Assistance for Needy Families grant program or the federal Aid to Families with Dependent Children Program for at least 30 months.

(3) A weight of 15 percent shall be based upon the relative number, as determined pursuant to federal law, of unemployed individuals residing in the plan's service area.

(b) Changes in the allocation formula established pursuant to subdivision (a) that may be needed for subsequent fiscal years may be implemented by the department only after public hearings have been conducted regarding the proposed changes. Any change in that allocation formula may be implemented not sooner than 30 days after notification in writing to the chairperson of the committee in each house of the Legislature that considers appropriations, the chairpersons of the appropriate committees and subcommittees in each house of the Legislature that considers the State Budget, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee or his or her designee, may in each instance determine.

(c) Subject to subdivision (d), the department, at the direction of the Governor, shall distribute the remaining 15 percent of federal welfare-to-work grant funds, less the amount necessary to administer the program, to state and local projects that will assist in moving eligible participants into unsubsidized employment. The Governor shall take into special consideration the needs of rural areas in distributing funds under this subdivision. Funds allocated pursuant to this subdivision shall be distributed to employers, private nonprofit organizations, and for-profit and public entities. Payments of these funds shall be contingent upon performance outcomes. Proposals submitted for state and local projects shall include, at a minimum, comments by the local private industry council or alternate local administrative entity, and the county welfare



department, to ensure that grants that are approved will be consistent with local plans for moving eligible participants into unsubsidized employment.

(d) Not more than 15 percent of federal welfare-to-work funds may be retained by the department for the cost of state administration of the welfare-to-work program.

10004. (a) On April 1, 1999, and on April 1 of each year thereafter, the department shall submit an annual report to the Legislature on the effectiveness of the program provided for under this chapter and the status of the federal welfare-to-work grant program funds allotted to this state.

(b) The report shall include information from the prior year, as compiled by, each service delivery area, on all of the following:

(1) The number of participants receiving services by federal target groups.

(2) The types of interventions and services provided.

(3) The employment outcomes achieved.

(4) The kinds of service providers receiving welfare-to-work grant funds.

(5) The amount of welfare-to-work grant funds received and expended.

(6) Any other data required to be reported to the United States Department of Labor regarding this program.

(c) The report shall also include information on the status of projects funded pursuant to subdivision (c) of Section 10003, and the outcomes associated with those projects.

10005. The unit of general local government or each unit of general local government that is a member of a consortium described in Section 15025, and which shall be represented by the chief local elected official described in subsection (c) of Section 103 of the federal Job Training Partnership Act (29 U.S.C. Sec. 1513(c)), shall be liable to the department for all federal welfare-to-work funds distributed pursuant to Section 10003 that are not



expended in accordance with this chapter and federal welfare-to-work grant program provisions.

SEC. 2. Section 10531 of the Welfare and Institutions Code is amended to read:

10531. Each county shall develop a plan consistent with state law that describes how the county intends to deliver the full range of activities and services necessary to move CalWORKs recipients from welfare to work. The plan shall be updated as needed. The plan shall describe:

(a) How the county will collaborate with other public and private agencies to provide for all necessary training, and support services.

(b) The county's partnerships with the private sector, including employers and employer associations, and how those partnerships will identify jobs for CalWORKs program recipients.

(c) Other means the county will use to identify local labor market needs.

(d) The range of welfare-to-work activities the county will offer recipients and the identification of any allowable activities that will not be offered.

(e) The process the county will use to provide for the availability of substance abuse and mental health treatment services.

(f) The extent to which, and the manner in which, mental health services will be available to recipients after the period specified in subdivision (a) of Section 11454.

(g) The process the county will use to provide for child care and transportation services.

(h) The county's community service plan.

(i) How the county will provide training of county workers responsible for working with CalWORKs recipients who are victims of domestic violence.

(j) The performance outcomes identified during the local planning process that the county or other local agencies will track in order to measure the extent to which the county's program meets locally established objectives.

(k) The means the county used to provide broad public input to the development of the county's plan.



(l) A budget that specifies the source and expenditures of funds for the program.

(m) How the county will assist families that are transitioning off aid.

(n) All necessary components of the job creation plan required by Section 15365.55 of the Government Code in counties that choose to implement the program described in Chapter 1.12 (commencing with Section 15365.50) of Part 6.7 of Division 3 of Title 2 of the Government Code.

(o) Other elements identified by the director, in consultation with the steering committee under Section 10544.5, including elements related to the performance outcomes listed in Sections 10540 and 10541.

(p) How the county will comply with federal requirements of the Temporary Assistance for Needy Families program (Part A (commencing with Section 601) of Subchapter 4 of Chapter 7 of Title 42 of the United States Code).

(q) How the county will coordinate welfare-to-work activities with the local private industry councils or alternate administrative entities designated by the Governor to administer local welfare-to-work programs, including the expenditure of state or other matching funds provided to the county welfare department for welfare-to-work activities. No later than September 1, 1998, and each year thereafter, subject to continued welfare-to-work funding, each county shall submit an addendum to its plan required under this section that describes its coordination efforts.

SEC. 3. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.



Notwithstanding Section 17580 of the Government Code, unless otherwise specified, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to apply welfare-to-work grant program provisions during the 1997–98 fiscal year, it is necessary that this act go into immediate effect.



Approved \_\_\_\_\_, 1998

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*Governor*

