

Date of Hearing: April 25, 2017

ASSEMBLY COMMITTEE ON JOBS, ECONOMIC DEVELOPMENT, AND THE ECONOMY

Sharon Quirk-Silva, Chair

AB 1111 (Eduardo Garcia) – As Amended April 19, 2017

SUBJECT: Breaking Barriers to Employment Initiative

SUMMARY: Establishes the Breaking Barriers to Employment Initiative for the purpose of assisting individuals who have multiple barriers to employment to receive the remedial education and work readiness skills to help them to successfully participate in training, apprenticeship, or employment opportunities that will lead to self-sufficiency and economic stability. Specifically, **this bill:**

- 1) Finds and declares, among other things, the following:
 - a) Although the California economy has demonstrated growth through overall lower unemployment and higher job growth, poverty is still an issue embedded in many of our cities and among many of our citizens. The California Poverty Measure reported in 2015 that 78% of Californians in poverty live in families with at least one adult working, with 69% of those individuals working full time.
 - b) With low wages and lack of job skills, this target population falls further behind and cannot escape poverty. There is a need for improved access and funding to provide “career pathway” services, particularly for the poor.
 - c) Increased funding for services such as English language improvement training, basic skills and adult education, high school diploma and GED acquisition, skills training, work experience, on-the-job training, mentoring, case management, and more is needed to bridge the gap to gainful employment for these particularly vulnerable populations.
 - d) Special emphasis is needed to make sure that programs reach those among us with the most difficult needs with the goal of preparing those persons for training, educational, apprenticeship or employment opportunities.
- 2) Establishes the Breaking Barriers Initiative within the Labor and Workforce Development Agency for the purpose of assisting individuals who face multiple barriers to employment receive the remedial education and work readiness skills that will help them to successfully participate in training, apprenticeship, or employment opportunities.
- 3) Establishes the following goals for the initiative:
 - a) Individuals who face multiple barriers to employment take measureable steps to remediate education and workforce readiness skills;
 - b) Partnerships between community-based organizations and workforce development boards, community colleges, and other providers of quality education and training are demonstratively strengthened in ways that benefit their client's ability to continue to access services and that ultimately lead to career pathways and sector strategies; and
 - c) Community-based organizations increase their capacity to achieve and measure results.
- 4) Authorizes the Secretary of Labor and Workforce Development (Secretary) to assign all or part of the administration of the initiative to one or more entities within the agency's oversight, as specified.

- 5) Requires the Secretary to consult with public and private stakeholders, including nonprofit community-based organizations, workforce development boards, local governments, and other entities that serve individuals who face barriers to employment.
- 6) Provides that funding will be appropriated through the budget act and specifies that the Secretary is responsible for providing appropriate oversight and monitoring of any funds awarded, as specified.
- 7) Requires the Secretary to develop a selection process and criteria for making grant awards, including, at a minimum, all of the following:
 - a) Outreach and technical assistance to prospective applicants, especially in rural and small population areas;
 - b) Grants are to be awarded through a competitive award process that addresses the need for a range of targeted populations and geographic locations to receive training opportunities;
 - c) No less than 90% of the funds be used for direct services to clients who face multiple barriers to employment;
 - d) Each grant proposal is required to have at least one lead workforce investment board and one lead community-based organization.
 - e) The lead community-based organization and the lead local workforce board are required to demonstrate their ability to successfully deliver previous programs to targeted populations they are proposing to serve using the grant funds.
- 8) Authorizes grant proposals to serve one or more targeted populations in one or more neighborhoods, local jurisdictions, regions, or statewide. Each application is required to explain how the proposed training program or service is designed to complement the work of, and integrate the individuals being served with, the workforce development boards within the proposed service area. Targeted populations include:
 - a) Youths who are disconnected from the education system or employment;
 - b) Women seeking training or education to move into nontraditional fields of employment;
 - c) Workers displaced by the movement of an employer or are long-term unemployed;
 - d) Unskilled or under-skilled, low-earning workers looking to advance into better-paying employment opportunities;
 - e) Persons for whom English is not their primary language;
 - f) Economically disadvantaged persons who face barriers to reaching training or apprenticeship opportunities for sustainable careers;
 - g) CalWORKS participants;
 - h) Persons who are incarcerated and soon to be released or formerly incarcerated;
 - i) Armed services veterans who face barriers due to skills that are not applicable to employment, training, apprenticeship opportunities in the region in which they live, or because of mental health, health, or other barriers that serve as impediments to opportunities;

- j) Native Americans;
 - k) Migrant, seasonal farmworkers; and
 - l) People with developmental or other disabilities.
- 9) Specifies that grant awards may be used for, but are not limited to, English language improvement training, basic skills and adult education, high school diploma and GED acquisition, skills training, work experience, on-the-job training, earn-as-you-learn programs, industry certifications, apprenticeship, mentoring, job placement, and other remedial education, work readiness, and retention skills.
- 10) Requires grant proposals to include a pre-service education and training assessment, which will form the baseline for measuring program performance, consistent with the initiative goals. A prior assessment may be used if, in the determination of the Secretary, the results are accurate and appropriate for the grant proposal.
- 11) Requires the grant proposal to identify baseline criteria and metrics by which the overall success of the grant program can be evaluated. The proposal shall also explain the manner in which the progress of the individuals participating in the program will be monitored during the grant period.
- 12) Specifies that measurements of success are to be based on the initiative goals, as relevant to the targeted population and baseline measurements set through the individual client assessment. These measurements may include, but are not limited to:
- a) The number of participants in the program who have completed a high school diploma or received a GED;
 - b) The number of participants in the program who have completed a remedial education program;
 - c) The number of participants in the program who have completed a work readiness program;
 - d) The number of participants who have completed a certified drug treatment or mental health program;
 - e) The number of participants who have matriculated to a pre-apprenticeship or apprenticeship program; and
 - f) The number of participants who passed the Ability to Benefit test and enrolled into an Adult Education-Career Pathway program, as defined in a specified section of the 1988 Amendment to the Higher Education Act.
 - g) The number of participants placed into part-time or full-time jobs.
- 13) Requires that key features of the grant be provided in a memorandum of understanding between the lead applicants and the agency, including, but not limited to, the purpose of the grant, expected outcomes, the oversight and monitoring process, and reporting requirements.
- 14) Requires that, as a condition of receiving funds, a grant recipient shall agree to provide information to the Secretary, as necessary to meet all reporting requirements.
- 15) Requires grant recipients to report, at least on an annual basis, and upon completion of the grant period regarding their use of funds, workforce training outcomes, and any other information required

by the secretary.

- 16) Requires the Secretary to post a report on the agency's Internet Web site by January 1, 2019 that aggregates the information provided by the grant recipients, including, but not limited to, the overall success of the grant programs.
- 17) Authorizes the Secretary to fund a full-scale project that uses a model that was previously funded as a pilot project through the Workforce Accelerator, the Supervised Population Workforce Training Program, SlingShot, or other existing programs to the extent that the goals, measures, and metrics are sufficiently aligned with the initiative. These core components include:
 - a) Serving the same client base;
 - b) Addressing the needs of individuals who face multiple barriers to employment to receive remedial education and work readiness skills;
 - c) Having an end goal of preparing those individuals for further training that results in apprenticeship or middle-skill employment opportunities; and
 - d) Having applications jointly filed with one or more workforce investment boards and one or more community-based organizations serving as the lead.

EXISTING LAW:

- 1) Establishes the Labor and Workforce Development Agency (Agency) for the purpose of addressing issues relating to California workers and their employers. The Agency is responsible for labor law enforcement, workforce development, and benefit payment and adjudication. The Agency works to combat the underground economy and help legitimate businesses and workers in California through a combination of enforcement and education activities. Departments and other state entities under the Agency include:
 - a) Agricultural Labor Relations Board;
 - b) The California Workforce Development Board (CWDB);
 - c) The Employment Development Department, including the Employment and Employment-related Services Program and the National Dislocated Workers Grant Program;
 - d) Employment Training Panel;
 - e) The Department of Industrial Relations, including the Division of Apprenticeship Standards; and
 - f) Public Employment Relations Board.
- 2) Establishes and designates the CWDB as the state entity responsible for assisting the state in meeting the requirements of the federal Workforce Innovation and Opportunity Act 2014 (WIOA), as well as assisting the Governor in the development, oversight, and continuous improvement of California's workforce investment system.
- 3) Requires the CWDB to assist the Governor in the development of strategies to support the use of career pathways for the purpose of providing individuals, including low-skilled adults, youth, and individuals with barriers to employment, and including individuals with disabilities, disabilities and out-of-school youth, with workforce investment activities, education, and supportive services to enter or retain employment. To the extent permissible under state and federal laws, these policies and

strategies should support linkages between kindergarten and grades 1 to 12, inclusive, and community college educational systems in order to help secure educational and career advancement.

FISCAL EFFECT: Unknown

POLICY ISSUE FRAME

In implementing Workforce Innovation and Opportunity Act of 2014 (WIOA), California has set aggressive new goals and objectives to guide the state's workforce development system. By 2027, California is committed to producing one million "middle-skill" industry valued and recognized postsecondary credentials and to double the number of people enrolled in apprenticeship programs.

Achieving this goal is important to California remaining competitive within the global marketplace. One of the key challenges, however, is the current labor shortage for middle-skill jobs and the significant number of workers who are not currently prepared to enter career pathways that can lead to middle-skill training.

AB 1111 proposes a targeted initiative to assist the millions of Californians who face significant barriers to employment by offering new opportunities for them to access remedial education and obtain work readiness skills. With support, these individuals will help the state in meeting its workforce development goals, while becoming financially secure and independent.

The analysis includes background on the California economy, the state's growing income inequality, and discussion on why it is important to create new opportunities to assist individuals who face barriers to employment into the workforce. Amendments are discussed in Comment #5 to further clarify the purpose and structure of the bill.

COMMENTS:

- 1) **The California Economy in the Future:** As California continues to transition from the recession, businesses and workers face an economy comprised of highly integrated industry sectors that are also more geographically dispersed. Advances in technology and processes are occurring more rapidly. This is resulting in competitiveness being increasingly defined in terms of speed, flexibility, specialization, and innovation.

Economists have identified nine key trends (*see chart below*) that will most influence the U.S. and California economies. Several of these trends place new and demanding challenges on California's training and workforce system. Advances in information technology, advanced manufacturing, expanded logistical networks, and the need to have more environmentally sustainable products are just a few of the new workplace realities.

Key Economic Trends Affecting the California Economy	
1	Cities and regions will become increasingly dominant economic players.
2	Global networks will be supported through more advanced information and transportation technologies.
3	Barriers to trade will continue to decline among both developed and emerging economies.
4	The world's largest companies will increasingly be headquartered in emerging foreign markets.
5	Global and more diversified markets provide new opportunities for entrepreneurs and smaller size businesses.
6	Scarcity and rising prices will increase pressure on the development and deployment of cleaner technologies.

7	Deepening income inequality will result in costly outcomes, most adversely affecting women, minorities, immigrants, the disabled, and the formerly incarcerated, and thus require the diversion of public resources to address unemployment, poverty, and social unrest.
8	The retirement of Boomers will place an even greater need for middle- and high-skilled workers.
9	The U.S workforce is becoming smaller, more ethnically diversified, and attending public education systems that are lower than many other developed economies.
Compiled by: Assembly Committee on Jobs, Economic Development, and the Economy	

The nature of work is also substantially changing such that new skill sets are necessary to be successful. Even entry-level workers will be expected to have important soft skills, such as the ability to work in teams, actively listen, communicate effectively with co-workers and bosses, and be able to negotiate workplace needs in a positive manner. Unlike hard skills, which are about a person's ability to perform a certain task or activity, soft skills provide the tools necessary to learn and advance in the state's continually evolving workplace environment.

The modern economy has also given rise to a growing need for smaller businesses because of their ability to provide innovative technologies and help other businesses access global markets. While vital economic players, small businesses and entrepreneurs also face unique challenges in competing in an increasingly global and interconnected marketplace. Programs and regulations which may have been designed to serve large companies may need to be retooled to better serve the nearly 90% of businesses that have less than 20 employees. These small and adaptable businesses will have an inherent advantage in the post-recession economy, provided they are able to obtain the skillsets necessary to run a successful business and have access to appropriately trained workers.

Changes in the workplace are also impacted by the competitiveness of the regional economies in which they and their customers are located. The economic foundation of many of California's strong regional economies are innovation-based industry clusters which have the ability to support high-paying jobs, lucrative career ladders, and longer term job stability. Research shows that there are specific characteristics that support the rise and success of these industry clusters, including proximity to high quality universities, research labs, businesses within the same industry, and attracting a critical mass of skilled workers is also an important component.

Though the economic composition of regions may differ in California, each region has strengths and weaknesses, with several areas of the state having multiple dominant industry sectors. The identification and cultivation of key industry sectors will factor heavily on the future economic success of California's regional economies.

- 2) **Data on Income Disparities:** While California is currently ranked as having the 6th largest economy in world, there remains several regions and certain population groups in the state for which economic security remains out of reach.

One example of these economic disparities is found in state poverty and education levels. For 2015, 15.3% of individuals in the state (14.7% for U.S.) live on incomes at or below the federal poverty designation. Using the federal Supplemental Poverty Measure, which accounts for geographic differences, transfer payments, and out-of-pocket expenses, 20.6% of California residents live in poverty, as compared to 15.1% nationally.

While the number of Californians with four-year and advanced college degrees ranks 14th in the U.S., educational attainment comparisons for those who hold high school diplomas are well below national

average. In 2015, 88% of the US population over 25 years old had a high school diploma or an equivalent, as compared to only 81.8% of Californians. This ranks California last among all states in the US, plus the District of Columbia.

The combination of high poverty and lower levels of basic education, have significant impacts of not only on these people's lives, but the state as a whole. The chart below displays unemployment figures, as reported by the Employment Development Department for February 2017. While the state's unemployment rate for February 2017 was 5.2% (not seasonally adjusted), unemployment rates among inland areas of the state, and among Black, Hispanic, and young demographic groups are significantly higher.

Unemployment February 2017 (not seasonally adjusted)			
	Unemployment Rate		Unemployment Rate
<i>California</i>	5.2%	<i>California</i>	5.2%
Colusa County	22.8%	Blacks	8.2%
Imperial County	18.4%	Hispanics	6.5%
Los Angeles County	4.4%	Whites	5.4%
Orange County	3.7%	16 to 19 year olds	18.7%
Riverside County	5.5%	20 to 24 year olds	8.2%
San Bernardino County	5.2%	25 to 34 year olds	5.6%
San Mateo County	2.8%	Source: California Employment Development Department	
Tulare County	12.1%		
Ventura County	4.7%		

The numbers in the chart represent over one million people unemployed who are actively seeking work and 912,000 who worked part-time involuntarily; nearly two million un- or under-employed individuals. Over the past month, EDD estimates that the number of people not in the labor force increased by 6,000 people for a total of 11.6 million, an increase of 104,000 people over the prior year.

While some of these employment disparities have existed for decades, more recent demographic shifts in the age, race and ethnicity of California's population have heightened these economic impacts. The U.S. Census Bureau projects that by 2043 a majority of the U.S. population will be comprised of people of color. In 2014, people of color were already the majority in California (61.55), Hawaii (77%), New Mexico (61.1%), and Texas (56.5%), with another nine states close to reaching 50%.

2014 also marked the year when Millennials surpassed Gen Xers (age 35 to 50 in 2015) as the largest generation in the U.S. labor force. Overall, Millennials are more diverse than prior generations, with 44% being of a race or ethnic group other than non-Hispanic whites. This shift is particularly significant, as the Gen Xers only overtook the Baby Boomers as the largest cohort in the labor force in 2012. For many Gen Xers, this will mean additional stress in the workforce with Boomers remaining in the workforce due to economic reasons and a large and aggressive younger cohort ready to move up.

Achieving job growth within globally competitive industries and addressing the state's growing income disparities will likely require the state to develop and employ different community, economic, and workforce development approaches. Policies and programs that require more coordinated efforts by industry, labor, nonprofits, and government could assist the state on a range of issues, including education, workforce training, infrastructure repair and expansion, entrepreneurship, and finance, among others.

- 3) **The Breaking Barriers' Legacy:** As noted above, AB 1111 builds upon and is consistent with work being undertaken across the economic and workforce development landscape. The Breaking Barriers to Employment Initiative itself is based on findings and recommendations from the JEDE Committee' 2015 hearing: *Building and Inclusive Economy: The State's Role in Closing California's Opportunity Gap*.

Among other issues, the JEDE Committee, then chaired by Assembly Member Eduardo Garcia, found that significant demographic shifts in terms of age, race, and geography were impacting the state's economic growth. Research and testimony at the hearing reinforced the knowledge that one of the most important economic development actions the state could make in supporting economic growth, overall, was to make greater investments in California's low-income families. This was particularly true for proposals that provided assistance to those individuals who faced employment barriers to obtain the remedial and entry level skills necessary to begin training within career pathways that led to economic security and financial independence. Specific recommendations from the hearing included:

- Setting an equity standard for new state investments;
- Supporting smaller size businesses;
- Reframing workforce development to insure it focused on the needs of businesses and inclusive of historically underserved populations; and
- Investing in workforce programs that resulted in long-term economic security.

One of the bills that arose from hearing was *AB 2642 (E. Garcia, Eggman, Garcia-Fletcher, Gomez, and Maienschein)*, which proposed the Breaking Barriers to Employment Initiative of 2016. This year, these authors and other Assembly leaders introduced *AB 1111*. The Republican Caucus also proposed a similar initiative, *AB 316 (Waldron and Salas)*, which was heard by JEDE and passed unanimously on March 28, 2017.

- 4) **Creating On-Ramps to Success:** The federal Workforce Innovation and Opportunity Act of 2014 represents the most significant shift in federal workforce policy in several decades. Among other requirements, the act mandates that the state develop a plan for making workforce investments, set goals, and report on their progress. Future federal funding will be dependent on the state meeting established milestones leading to these goals.

California's Unified Strategic Workforce Development Plan (State Plan) outlines a comprehensive four-year strategy for investing federal workforce training and employment service dollars in a manner that aligns and coordinates six core Workforce Innovation and Opportunity Act funded programs. The state goal (2017 through 2027) is to produce one million "middle-skill" industry valued and recognized postsecondary credentials. In meeting this goal, the State Plan anticipates doubling the number of people enrolled in apprenticeship programs.

While certainly a laudable goal to guide the state's workforce investment system, achieving those goals will be challenging. Key among those challenges is the significant number of workers who are

not currently ready to take on middle-skill training. In 2012, there were 1.9 million unfilled middle skill jobs. This number is expected to grow as one-third of middle skill workers retire over the next ten years.

AB 1111 establishes the Breaking Barriers to Employment initiative, administered through the Labor and Workforce Development Agency, to provide a framework for one or more competitive grant programs. Moneys awarded through this initiative will help to operationalize an innovative model of collaboration between two important workforce partners for the benefit of populations that routinely face barriers to employment.

The program's targeted populations include, but are not limited to, veterans, unskilled and low-skilled workers, out-of-school youth, foster youth, long-term unemployed, individuals with developmental and other disabilities, Native Americans, formerly incarcerated individuals, farmworkers, and other economically disadvantaged individuals.

The Breaking Barriers model is designed to leverage the experience of community-based organizations to work with targeted populations to remediate education and workforce readiness skills and to collaborate with workforce boards to transition clients to career pathways and sector strategies developed by local workforce boards. The authors believe that the initiative will create a career on-ramp for groups that have been historically disconnected from traditional programs.

AB 1111 builds upon key objectives in the State Plan by assisting individuals to obtain the fundamental skills necessary to prepare for work in high priority industries, leverage multiple services to meet a worker's individual needs, and target people who face systemic barriers to employment.

- 5) **Amendments:** Staff understands that the author will offer amendments to:
 - a) Require grant proposals to identify which activities, if any, will require enrollment or co-enrollment in WIOA.
 - b) Expand a reporting require to cover with more general category of supportive services.
 - c) Remove procedural requirements that would better be developed through regulations; and
 - d) Make other technical and conforming changes.
- 6) **Related Legislation:** Below is a list of the related bills.
 - a) ***AB 80 (Campos) Interagency Task Force on the Status of Boys and Men:*** This bill would have established a 20-member Interagency Task Force on the Status of Boys and Men of Color. Issues to be addressed by the Task Force would include, but not be limited to, employment and wealth creation, health and safety, education, and juvenile justice. Status: Vetoed by the Governor, 2015. Governor's Veto Message: *How state policy can be tailored to promote the well-being of boys and men of color is profoundly important. These issues, however, are best addressed through concrete actions, not another non-binding commission. The Legislature and the Administration are working on the critical issues raised by this bill, such as the Local Control Funding Formula, healthcare expansion and criminal justice reform. Much more can be done, and I am committed to advancing this work.*
 - b) ***AB 316 (Waldron and Salas) Employment Revitalization Initiative:*** This bill establishes a the Employment Revitalization Initiative, administered through the Workforce Development Board, for the purpose of assisting individuals who face multiple barriers to employment to receive the

remedial education and work readiness skills that will help lead them to self-sufficiency and economic stability. The bill appropriates \$200 million for the purpose of implementing the Initiative, \$100 million for performance-based contracts awarded through the Employment Training Panel, and \$10 million for additional Workforce Accelerator Grants. Status: Pending in the Assembly Appropriations Committee.

- c) **AB 288 (Holden) College and Career Pathways:** This bill authorizes the governing board of a community college district to enter into a College and Career Access Pathways (CCAP) partnership with the governing board of a school district within its immediate service area, as specified, to offer or expand dual enrollment opportunities for students who may not already be college bound or who are underrepresented in higher education. The goal of the agreements is to develop seamless pathways for students from high school to community college for career-technical education or preparation for transfer, improve high school graduation rates, or help high school pupils achieve college and career readiness. The bill includes specific conditions which must be met prior to the adoption of such an agreement. The authority in this measure sunsets on January 1, 2022. Status: Signed by the Governor, Chapter 618, Statutes of 2015.
- d) **AB 931 (Irwin) New Hire Tax Credit:** This bill would have expanded the definition of the term "qualified full-time employee" under the new hire tax credit to include a veteran who has separated from service in the U.S. Armed Forces within the 36 months preceding commencement of employment with a qualified taxpayer. Status: Vetoed by the Governor, 2015. Governor's Veto Message: *Despite strong revenue performance over the past few years, the state's budget has remained precariously balanced due to unexpected costs and the provision of new services. Now, without the extension of the managed care organization tax that I called for in special session, next year's budget faces the prospect of over \$1 billion in cuts. Given these financial uncertainties, I cannot support providing additional tax credits that will make balancing the state's budget even more difficult. Tax credits, like new spending on programs, need to be considered comprehensively as part of the budget deliberations.*
- e) **AB 1058 (Atkins) Second Chance Program:** This bill establishes the Second Chance Program under the administrative direction of the Department of Corrections for the purpose of investing in community-based programs, services, and initiatives for formerly incarcerated individuals in need of mental health and substance use treatment services. The grant program will be funded through the savings resulting from the implementation of Proposition 47, the Safe Neighborhoods and Schools Act of 2014, and other specified sources. The bill also extends the sunset on the Social Innovation Financing Program until 2022. Status: Signed by the Governor, Chapter 748, Statutes of 2015.
- f) **AB 1093 (E. Garcia) Supervised Population Workforce Training Grant Program:** This bill expedites the allocation of funding under the existing Supervised Population Workforce Training Grant Program, which is administered through the California Workforce Development Board. Status: Signed by the Governor, Chapter 220, Statutes of 2015. In addition, \$1.5 million was authorized in the 2015-16 Budget for additional funding rounds.
- g) **AB 1270 (E. Garcia) California Workforce Innovation and Opportunity Act:** This bill aligns California statute with the new requirements of the federal Workforce Innovation and Opportunity Act of 2014. The bill sets the foundation for policy changes in 2016 through SB 45 (Mendoza). Status: Signed by the Governor, Chapter 94, Statutes of 2015.
- h) **AB 2061 (Waldron) Supervised Population Workforce Training Grant Program:** This bill makes program enhancements to the Supervised Population Workforce Training Grant Program,

including the addition of program priorities for applications that document employer participation, as specified. Status: Signed by the Governor, Chapter 100, Statutes of 2016.

- i) **AB 2448 (Burke) Welfare-to-Work Education:** This bill changes certain California Work Opportunity and Responsibility to Kids requirements regarding permissible welfare-to-work activities in order to facilitate a recipient's completion of a high school equivalency program. Status: Vetoed by the Governor, 2016. The Governor's veto message: *This bill suspends the CalWORKs 24-month time clock for up to 12 months for recipients actively seeking their high school diploma or equivalent. There is flexibility in this program which allows counties to extend the 24-month clock on a case-by-case basis for recipients making progress toward their high school diploma. I am not convinced that a state level suspension as called for in this bill is necessary.*
- j) **AB 2642 (E. Garcia, Eggman, C. Garcia, Gomez, and Maienschein) Removing Barriers to Employment Act:** This bill would have established a competitive grant program to provide training funds to assist individuals who face multiple barriers to employment prepare for middle-skill training, apprenticeship, or employment opportunities that lead to self-sufficiency and economic stability. Status: Held on the Suspense File of the Assembly Committee on Appropriations, 2016.
- k) **SB 81 (Senate Budget Committee) Post-Secondary Education Budget:** This bill provides guidance and makes modifications to the states three systems of higher education, including but not limited to:
 - i) Amends the Middle Class Scholarship program to exclude students with family assets over \$150,000, sets a four- or five-year time limit for the program similar to limits imposed in the Cal Grant program, and allows income and asset limits to increase with the Consumer Price Index.
 - ii) Creates the Basic Skills Partnership Pilot Program, which will provide five community college districts with \$2-million grants to develop partnerships among schools districts, community colleges and California State University campuses to develop improved strategies to provide remedial education for underprepared college students.
 - iii) Requires the California Community Colleges or California State University to exempt students from nonresident tuition starting on July 1, 2015, if they the meet all of the following requirements: a) student resides in California; b) student meets the definition of "covered individual," as defined under United States Code Title 38, federal statute; c) student is eligible for education benefits under either the federal Montgomery GI Bill or Post 9/11 GI Bill program, and are continuously enrolled at the campus they attend.
 - iv) Extends the sunset date for the Career Technical Education Pathways Program from June 30, 2015, to July 1, 2016, and appropriates \$48 million one-time Proposition 98 funds for the program.
 - v) Requires the Community College Chancellor's Office to report to the California Apprenticeship Council within 30 days of each apportionment period information regarding the hourly rate paid to local educational agencies and community colleges, and the number of instruction hours allocated to and reported by each local educational agency and community college.

- vi) Allows the Community College Chancellor's Office to work with the Division of Apprenticeship Standards to develop and implement innovative apprenticeship programs in high-growth industries.
- vii) Creates the Basic Skills and Student Outcomes Transformation Program, which will provide \$60 million Proposition 98 General Fund to assist community college districts in improving the delivery of basic skills instruction.

Status: Signed by the Governor, Chapter 22, Statutes of 2015.

REGISTERED SUPPORT / OPPOSITION:

Support

City of Lakewood
Alliance for Boys and Men of Color
California Catholic Conference
California Workforce Association
Jewish Vocational Services of San Francisco
La Cooperativa
National Association of Social Workers
Policy Link
San Diego Workforce Partnership
Workforce Development Board of Madera County

Opposition

None on File

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