

Joint Legislative Hearing on The Role of Innovation in California's Post-Recession Economy

Legislative History: Major Bills related to Workforce Development

California's next economy will require new and more agile thinking about resources and deployment of human, physical and financial capital. Economic researchers has identified several key emerging trends, including that nations and states will become less significant and that regions will be the more dominant drivers of economic growth. Job growth will be driven by smaller size companies that are able to connect and access expanding global markets through the deployment of new technologies that can cost effectively increase productivity and meet changing market demands. Due to scarcity and rising prices the emerging economy will also be power by lower carbon fuels. All these new market realities will need to be accomplished with a workforce that is substantially smaller, more diverse, and historically underinvested. This new workplace environment will require integrated and well-articulated career pathways between the K-12, the state's higher education systems, and workforce training providers.

Below is a selection of legislation from the last three sessions, which were designed to address the workforce development needs of California's innovation-based economy. This is not a conclusive list, rather the list represents the range of proposals considered by the Legislature and Governor.

AB 3 (V. Manuel Perez) Renewable Energy Workforce Readiness Initiative: This bill would have required the California Workforce Investment Board, in consultation with the Green Collar Jobs Council (GCJC), to establish a Renewable Energy Workforce Readiness Initiative to ensure green collar career placement and advancement opportunities within California's renewable energy generation. Among other things, this bill would have required that the initiative provide guidance to local workforce investment boards on how to establish comprehensive green collar job assessment, training, and placement programs that reflect the local and regional economies. Status: The bill was vetoed by the Governor, 2009.

AB 35 (Furutani) Education Workforce Preparation: This bill would have expanded the scope of the functions and responsibilities of the California Postsecondary Education Commission (CPEC) to include the development of a strategic plan for the purpose of connecting education and workforce development programs in the state. Status: The bill was held in the Senate Committee on Rules, 2010.

AB 165 (Carter) Microenterprises: Economic Development: This bill would have required the California Workforce Investment Board (CWIB) to make recommendations and provide technical assistance on entrepreneurial training opportunities that could be made available through local workforce investment boards. The bill makes other related changes to the definition of microenterprise, as well as deleting requirements from the duties of the CWIB. Status: The bill was held under submission in the Assembly Committee on Appropriations, May 2009.

AB 790 (Furutani) - Linked Learning Pilot Program: This bill establishes, commencing with the 2012-13 school year, the Linked Learning Pilot Program to be administered by the Department of Education (CDE) according to specified requirements for the purpose of implementing district-wide linked learning programs in all participating school districts. This bill requires the Superintendent of Public Instruction (SPI) to report on the program to the Legislature and the Governor, as specified. This bill requires the SPI to use existing state and federal resources to implement the pilot. Status: Signed by the Governor, Chapter 616, Statutes of 2011.

AB 1310 (Furutani) Career Technical Education and Workforce Development: This bill would have required the Secretary of Labor and Workforce Development, in conjunction with the California Workforce Investment Board, the California Community Colleges, the State Department of Education, and the California Postsecondary Education Commission to develop a strategic plan for connecting the delivery of education and workforce development in the state. Status: The bill was vetoed by Governor.

AB 1320 (Fong) Lifelong Learning Accounts Initiative Program: This bill would have created the Lifelong Learning Accounts Initiative Program for the purpose of providing grants to employers and employees to establish individual lifelong learning accounts, as defined, for the deposit of funds to be used by those employees and employers for purposes related to lifelong education and training. However, the bill specified that its requirements shall only be implemented if the Director of Finance makes a written determination that there are sufficient funds from sources other than the General Fund available for that purpose. Status: Held under submission by Senate Appropriations Committee, 2009.

AB 1330 (Furutani) Graduation Requirements: This bill, commencing with the 2012-13 school year, adds career technical education as an option for pupils to fulfill the existing high school graduation requirement to complete a course in visual or performing arts or foreign language, and requires school districts that elect this option to notify parents, teachers, pupils and the public. These provisions sunset on July 1, 2017. Status: The bill was signed by the Governor, Chapter 621, Statutes of 2011.

AB 1394 (Bass) California Workforce Investment Board: Green Collar Jobs Council: This bill would have authorized the California Workforce Investment Board (CWIB) to accept any revenues, moneys, grants, goods or services from federal and state entities, philanthropic organization, and other sources, to be used for the purposes relating to the administration and implementation of the strategic initiative. In addition, this bill would have required the Green Collar Jobs Council to consult with appropriate state and local agencies to identify opportunities to coordinate the award of grant and green workforce training funds received by the state under the federal American Recovery and Reinvestment Act of 2009 or any other funding sources. Status: The bill was vetoed by the Governor, 2009.

AB 1567 (Committee on Veterans Affairs) Employment Training Panel: 3-year Plan and the Training of Veterans: Existing law establishes the Employment Training Panel (ETP) in the Employment Development Department (EDD), and prescribes the membership and functions and duties of the ETP with regard to the development and implementation of specified employment training programs. Existing law requires the ETP, among other things, to establish a three-year plan, as specified, that is required to be updated annually, as provided. This bill would have additionally

required that the ETP's three-year plan include employment training goals, objectives, and strategies that may be implemented to support target populations in need of employment training, including military veterans. Status: The bill was vetoed by the Governor, 2009.

AB 2506 (V. Manuel Pérez) Innovation and Job Creation Act of 2012 - Authorizes a comprehensive set of enhancements to tax incentive programs and administrative procedures including a manufacturing sales tax exemption, increased R&D credits and secondary education donation credits for the purpose of creating jobs and supporting innovation-based businesses. Status: The bill was held in the Assembly Business, Professions and Consumer Protection, 2012.

AB 2446 (Furutani) - CTE High School Graduation Option: This bill would have allowed career technical education (CTE) courses to count toward meeting state mandated graduation requirements. CTE courses could be taken as an option to foreign language or the visual and performing arts. California's ability to maintain a competitive edge in the global economy requires a public education system that is capable of producing a skilled and competent workforce. CTE courses enhance the connection between high school course work and its real-world applications. AB 2446 gives high school students access to good paying technical careers after graduation. Status: The bill was vetoed by the Governor, 2010.

AB 2595 (Arambula): Logistics Worker Training Initiative: This bill would have required the Secretary of Labor and Workforce Development and the California Workforce Investment Board to establish a Logistics Worker Training Initiative for the purpose of increasing California workers' competitiveness within the global manufacturing value chain. The outcome of this initiative is a state strategy to support regionally-based workforce intermediaries that provide training in advanced logistical systems especially in the transportation and goods movement sectors. Status: The bill was vetoed by the Governor, 2006.

AB 2696 (Bass) California Workforce Investment Board: Green Collar Jobs Council: This bill revised the duties of the Green Collar Jobs Council (GCJC), within the California Workforce Investment Board, and authorizes the board to accept any revenues, moneys, grants, goods, or services from federal and state entities, philanthropic organizations, and other sources, to be used for purposes relating to the administration and implementation of the strategic initiative. The bill authorized the Employment Development Department, upon appropriation by the Legislature, to expend those moneys and revenues for purposes related to the administration and implementation of the strategic initiative and for the award of workforce training grants implementing this initiative. In addition, this bill required that the GCJC consult with appropriate state and local agencies to identify opportunities to coordinate the award of grant and green workforce training funds received by the state under the American Recovery and Reinvestment Act of 2009 or any other funding sources. Status: The bill was signed by the Governor, Chapter 396, Statutes of 2010.

AB 2726 (B. Lowenthal) Employment Development Department: one-stop career centers: training: apprenticeship: The federal Workforce Investment Act of 1998 (WIA) provides for workforce investment activities, including activities in which states may participate. This bill would have allowed apprenticeship programs approved by the Division of Apprenticeship Standards (DAS) to be counted as job placement and would have directed the state and local Workforce Investment Boards to ensure that programs and services funded by WIA and directed to apprenticeable occupations, including pre-apprenticeship training, work in coordination with one or more state-approved

apprenticeship program, when an applicable program is available within the geographic area. Status: The bill was vetoed by the Governor, 2009.

SB 56 (Corbett) - Apprenticeship Oversight: This bill makes changes to the state approval of apprenticeship programs related to the building and trade industry. Status: The bill was signed by the Governor, Chapter 696, Statutes of 2011.

SB 128 (Lowenthal) Funding of High Performance Schools: This bill expands the use of modernization funding under the School Facility Program to include the cost of designs and materials that promote the characteristics of high-performance schools, and expands eligibility for funding from the High Performance Incentive Grant program to include projects approved to receive a Career Technical Education Facilities Program grant. Status: The bill was signed by the Governor, Chapter 622, Statutes of 2011.

SB 292 (Padilla) Community College Transfers: This bill provides clarification of issues that arose during the implementation of the Student Transfer Achievement Reform Act (STAR) program including clarification that students who complete the requirements outlined for a degree for transfer under the STAR program are granted priority in enrollment over all other California Community College transfer students, consistent with the current statutorily outlined enrollment planning and admission priorities. Status: The bill was signed by the Governor, Chapter 353, Statutes of 2011.

SB 698 (Lieu) High Performance Boards: This bill required the Governor to establish, through the California Workforce Investment Board, standards for certification of high-performance local WIBs, in accordance with specified criteria. The bill also required the Governor and the Legislature, in consultation with the California Workforce Investment Board, to reserve specified federal discretionary funds for high-performing local WIBs. Status: The bill was signed by the Governor, Chapter 497, Statutes of 2011.

SB 734 (DeSaulnier) Mandated Training Expenditures: This bill required local WIBs to spend a certain percentage of available WIA funds (25% now and increased to 30% in 2016) on workforce training programs in a manner consistent with federal law and allows the boards to leverage specified funds to meet this requirement. The bill also required a local WIB that does not meet the expenditure to provide the EDD with a corrective action plan regarding those expenditures. Status: The bill was signed by the Governor, Chapter 498, Statutes of 2011.

SB 813 (Senate Committee on Veterans Affairs) Priority Registration for Veterans: This bill extends priority registration enrollment for veterans at the California State University and the California Community Colleges, from two to five years. Status: The bill was signed by the Governor, Chapter 375, Statutes of 2011.