

Date of Hearing: April 21, 2015

ASSEMBLY COMMITTEE ON JOBS, ECONOMIC DEVELOPMENT, AND THE ECONOMY

Eduardo Garcia, Chair

AB 1093 (Eduardo Garcia) – As Introduced February 27, 2015

SUBJECT: Public safety: supervised population workforce training: grant program

SUMMARY: Makes modifications to the Supervised Population Workforce Training Grant Program (SPWTG Program), which is administered by the California Workforce Investment Board (CWIB), for the purpose of expediting the allocation of funds in the 2014-15 fiscal year. Specifically, **the bill:**

- 1) Authorizes the state to delegate the responsibility for determining the sufficiency of prior assessments to one or more local workforce investment boards.
- 2) Allows applicants to address one or both of education and training needs of the formerly incarcerated individuals. Current law requires each applicant to address both.
- 3) Expands the content of the CWIB overall assessment of the program to include:
 - a) Identification of the education and workforce readiness of supervised population entering the program and how that impacted the types of services needed and offered.
 - b) Whether the metrics used to evaluate the individual grants were sufficiently aligned with the objectives of the program.
- 4) Includes an urgency clause and takes effect immediately.

EXISTING LAW:

- 1) Establishes the CWIB, comprised of members appointed by the Governor and the appropriate presiding officer(s) of each house of the Legislature, and specifies that the executive director of the CWIB report to the Secretary of the California Labor and Workforce Development Agency. The CWIB is responsible for assisting the state in meeting the requirements of the federal Workforce Investment Act of 1998 (WIA), as well as assisting the Governor in the development, oversight, and continuous improvement of California's workforce investment system.
- 2) Creates the SPWTG Program, administered by the CWIB, to award grant funding for vocational training and apprenticeship opportunities for offenders under county jurisdiction who are on probation, mandatory community supervision, or post-release community supervision.
- 3) Requires CWIB to administer the SPWTG Program through a public process, as specified, with preference for counties (a) with a demonstrated collaborative working relationship with local workforce investment boards; (b) with a workforce training program in place for the supervised population; and (c) that offer a funding match.
- 4) Requires SPWTG recipients to report to the CWIB regarding their use of the funds and workforce training program outcomes upon completion of the grant period and requires CWIB to assess and report on the outcomes of the program, as specified, to the Legislature by January 1, 2018.

- 5) Creates in the State Treasury the Recidivism Reduction Fund for moneys to be available, upon appropriation by the Legislature, for activities designed to reduce the state's prison population, including, but not limited to, reducing recidivism. Funds in the Recidivism Reduction Fund are available to be transferred to the State Community Corrections Performance Incentives Fund. In 2014-15, \$1 million was approved for allocation through the SPWTG Program.

FISCAL EFFECT: Unknown

POLICY ISSUE FRAME:

This bill proposes to provide greater flexibility and assessment to an existing workforce training and job placement program serving men and women who are reentering communities from incarceration, AB 2060 (V. Manuel Pérez), Chapter 383, Statutes of 2014. The need for this type of assistance has been advocated by many constituencies, including, but not limited to advocates for formerly incarcerated adults, criminal justice policy researchers, law enforcement, and business and community leaders.

While a final report on the SPWTG Program will not be available until 2018, the CWIB has indicated that the existing program is moving forward without significant challenges. The author has stated that given the short court mandated timeline it is appropriate to make changes to the program now so that it could be ready for additional state funding in 2015-16.

In deliberating the merits of the measure, Members may wish to consider the challenges formerly incarcerated individuals face in reentering society and the social and financial cost to society for the state's high recidivism rate. The Comment section of the analysis includes additional information on these issues.

COMMENTS:

- 1) **Author's Purpose:** According to the author, "With orders from the U.S. Supreme Court to reduce its prison population, the state needs smart, effective policies to help local jurisdictions achieve realignment goals and reduce recidivism. Workforce development for the re-entry population is a practical strategy for improving access to a stable job. It helps improve offender outcomes, reduce the likelihood of recidivism, and promote community safety and stability. AB 1093 makes key program changes to the 2014 bill [AB 2060 (V. Manuel Perez)]."
- 2) **Solicitation for Proposals:** The CWIB issued a Solicitation for Proposal (SFP) on March 20, 2015 for the SPWTG Program. The SFP calls for applications that expand existing, mature collaborative relationships between county-based Community Corrections Partnerships and Local Workforce Investment Boards(LWIB) in support of innovative strategies that accelerate educational attainment and re-employment for the supervised population.

Funding for the program is limited to \$1 million, which will be deployed to applicants that best help the state meet these four overarching program goals:

- Train up to 100 supervised population participants.
- Improve labor market and skills outcomes for the supervised population through the development of strategies that fill gaps, accelerate processes, or customize services to ensure greater access to workforce services and employment opportunities.

- Create new modes for service delivery and funding alignment that can be replicated across the State and tailored to regional needs.
- Leverage the State’s investment with commitments from industry, labor, public, and community-based partners.

Key Dates - Supervised Population Workforce Training Grant Program	
CWIB Releases the Solicitation for Proposal	March 20, 2015
Proposals due to the CWIB by 3:00 p.m.	April 17, 2015
Award Announcements	May 1, 2015

Source: Solicitation for Proposal, Supervised Population Workforce Training Grant Program

At the April 8, 2015, hearing of the Assembly Budget Subcommittee 5 on Transportation and Public Safety, the CWIB testified on the implementation of the program. Committee members discussed the possibility of additional funding being provided to the SPWTG Program. AB 1093 includes an urgency clause, provides for greater program flexibility, and increases the outcome evaluation criteria should additional money be appropriated to the program.

- 3) **Court Actions related to Prison Overcrowding:** For decades, California's prison system has faced significant challenges in meeting both its basic security and rehabilitation responsibilities. Designed to house an inmate population of 80,000, the state prison population has remained well above that mark. In 2006, the California prison population hit its peak with over 170,000 men and women being housed within the state prison system.

The resulting conditions were the subject of two federal class actions. In the first case, *Coleman v. Brown* (filed 1990), the District Court found that prisoners with serious mental illness did not receive minimal, adequate care and after over a decade of remediation the Special Master assigned to the case reported that the system's mental health care continued to seriously and negatively be impacted by overcrowding. In the second case a decade later, *Plata v. Brown* (filed 2001), the state conceded deficiencies in prison medical care violated prisoners Eighth Amendment rights and stipulated to remedial injunction. When the state failed to comply with the injunction, the plaintiffs in both cases moved to convene a federal three-judge court panel, as empowered under the Prison Litigation Reform Act of 1995, in order to command the state to reduce the prison population. The cases were ultimately consolidated and, in August 2009, the three-judge panel found that prison overcrowding was the primary reason that the state was unable to provide inmates with constitutionally adequate health care. The court ordered the state reduce its inmate population to no more than 137.5% of the design capacity in the prisons operated by the CDCR by June 2013 [*Plata/Coleman v. Brown*].

In 2011, the U.S. Supreme Court upheld the three-judge panel's order for the state to reduce its prison population to 137.5% of the prison design capacity or approximately 46,000 inmates at the time of the decision. Over the ensuing years, the deadlines for reaching the mandated prison population reduction have shifted. Currently, the state is required to reach the prison population reduction target by February 28, 2016. Should the state fail to meet its final reduction target or any of the interim milestones, a court-ordered Compliance Officer has been given the authority to order the early release of inmates.

- 4) **Programs to Address Prison Recidivism:** The state has taken a variety of actions to try to meet its prison population reduction target including infill bed expansion, contract beds, prison re-entry hubs, county probation incentive grants, and workforce development programs focused on the formerly incarcerated individuals. Most significantly were the 2009 parole reforms and the 2011 realignment

of certain criminal justice responsibilities from the state to the California counties. In 2013, the Recidivism Reduction Fund was established at the state Treasury for the purpose of funding new programs and services designed to reduce recidivism of inmates and parolees. The 2014 Budget Act provided \$5 million from the \$91 million in the Recidivism Reduction Fund for performance-based workforce training contracts (also called social innovation financing contracts) for formerly incarcerated individuals. [AB 1837(Atkins), Chapter 838, Statutes of 2014] Another million dollars was appropriated from the Recidivism Reduction Fund to implement to SPWTG Program, which is the subject of this bill.

As of December 2014, the state was at 140% design capacity. This is below the 2015 target, but still 1,204 inmates above the final February 2016 target.

For 2015-16, the Legislative Analyst reports that the average daily prison population is projected to be about 133,000 inmates, which represents a 1% reduction (1,900 inmates) from the estimated current-year level. This reduction is due to a number of factors including the impact of Proposition 36, which passed in November 2012 and revised the state's three strikes laws, and Proposition 47, which passed in November 2014 and requires misdemeanor sentencing instead of felony for specified property and drug charges.

The reductions are, however, being offset by a rise in second offenders under the state's Three Strikes law, which provides for certain individuals and crimes that the sentence in the second offence to be twice the term otherwise required by law. The Department of Corrections and Rehabilitation estimates that it will receive 12,400 second strike offenders in 2015-16, which is a 68% increase from the 2011-12 level. This new trend threatens to derail the state's progress on reducing the state's prison population, making programs that target recidivism even more important.

The Governor's 2015-16 budget proposal provides \$125 million for the largest of the prison recidivism reduction programs, the Community Corrections Performance Incentive Grant. Under this program, funding is provided to county probation departments based on the ratio of felony probation returns to prison and jail.

The Governor's budget estimates that \$28.8 million will be available for expenditure through the Recidivism Reduction Fund in 2015-16 and proposes to allocate \$12.6 million to community-based facilities that emphasize co-occurring mental health and substance use disorders, and \$15.6 million to non-reentry hub institutions that treat substance use.

- 5) **State Strategy on Employment of Former Offenders:** The federal Workforce Investment Act requires the Governor, through the CWIB, to submit a State Strategic Workforce Development Plan (State Plan) to the U.S. Department of Labor. This plan outlines a five-year strategy for the investment of federal workforce training and employment services funds. With respect to services to former offenders, CWIB states the following:

"The State Board has leveraged the [California Department of Corrections and Rehabilitation (CDCR)] expertise to help Local Boards obtain additional funding from "realignment" funds allocated to counties. A workshop was conducted [in 2014] by the California Workforce Association, which included CDCR and Local Board staff sharing knowledge about realignment and funding so that Local Boards might be in a better position to engage their counties in seeking funding to serve this new "realigned" population.

The State Board will continue to work closely with CDCR and LWIBs to encourage and develop innovative services for the ex-offender population. Policy Link and the National Employment Law Project (NELP), the State Board is helping convene LWIBs, to ensure formerly incarcerated individuals have access to quality employment services. The State Board also worked with the Employment Development Department and NELP to develop a directive to ensure that LWIBs comply with nondiscrimination obligations when serving individuals with criminal records. http://edd.ca.gov/Jobs_and_Training/pubs/wsd12-9.pdf ."

6) **Summary from Survey on Training Activities:** In preparation for hearing AB 2060 in 2014, the Assembly Committee on Jobs, Economic Development, and the Economy, asked the California Workforce Association to survey its membership about current and previous activities related to reentry programs that targeted the formerly incarcerated. Of the 49 LWIBs in California, 11 boards were able to respond under the tight timeframes including: Golden Sierra; Inyo and Mono Consortium; Kern County; Marin County; Merced County; Monterey County; San Bernardino County; San Diego County; Sacramento County; Sonoma County; Santa Cruz County; and the Verdugo Consortium. These 11 LWIBs reported serving 1,782 individuals who were reentering communities following incarceration in the prior year. The California Workforce Association believes this figure is much higher as the other 38 WIBs also serve the re-entry population. Below is a summary of the survey answers.

a) *What type of re-entry programs do you have and how many people do they serve?* Many local workforce investment boards receive funding from their local probation departments. Services in these programs generally include a reentry navigator/case manager who acts as an employment counselor and also ensures that appropriate wrap around services are offered to the job seekers.

The goal of these programs is to help the individual find full-time employment. Large portions of the program focus on job readiness training, on-the-job training, work experience and class room/vocational training. Support services are also a key component to the re-entry programs. Services such as GED preparation and testing, transportation vouchers, food vouchers, record expungement, counseling, housing assistance, driver license and social security compliance, etc.

Even in local workforce areas where direct funding is not received, workforce boards use their own funds to partner with the probation and juvenile justice system to offer job readiness workshops including resume preparation, interview skills, labor market opportunities, filling out applications, and "dress for success."

b) *What is the total funding for those programs and where are the funds from?* Program funding varies locally, but a majority of LWIBs reported receiving AB 109 funds from their probation department. Other funding sources include, CDCR, local juvenile departments, and non-profits such as Friends Outside and Behavioral Interventions, Inc. Individual program budgets range from \$130,000 to \$400,000 annually.

c) *What is the cost per individual in these programs?* The average cost reported is roughly \$6,000 per individual.

d) *Do you provide any stipends or wages from your program?* The programs generally offer to pay wages or part of the wages through work experience or on-the-job training programs. Additionally, programs serving youth use stipends to support program completion.

- e) *Do women or men have an easier time finding employment?* The majority of programs report that most of their participants are male. Several programs stated that males seem to have an easier time placing due to the partnerships they have with organizations offering skilled trade or labor jobs. A few areas report that women are more apt to request and receive training than men and are more likely to have a work history before entering incarceration.

In submitting the survey results, the California Workforce Association highlighted the importance of wrap around services to the reentry population including shelter, food, and having a healthy support network. Without their core survival needs being met, the formerly incarcerated face even greater difficulties in finding employment and may be tempted to resume their prior lifestyle.

- 7) **WIA and the California Workforce Investment Board:** Enacted in 1998, WIA provides states with federal funding for job training and employment investment activities and programs, including work incentive and employment training outreach programs. Distribution of the funds is based on a set formula which includes specified economic and demographic data and flows to the state through three primary programs: Adult, Youth, and Dislocated Workers.

California's WIA allocation from the U.S. Department of Labor has declined over the years from a high of \$630 million in 2000-01 to \$391 million in 2014-15. Federal law dictates that 85% of Adult and Youth formula funds, and 60% of Dislocated Worker formula funds, are distributed to local WIBs (LWIBs). Funding for the state's activities is derived from the 15% WIA discretionary funds.

California will receive approximately \$390 million in Program Year 2014-15, \$356 million is allocated to the LWIBs to provide services for adults, laid-off workers, and youth, and \$34 million will remain at the state-level for program oversight and discretionary programs. Discretionary funding in 2015-16 is expected to increase and will be detailed in the May Revision.

California's WIA dollars are overseen by the 56-member CWIB, of which 61% of the members represent the private sector, as required by federal law. The CWIB has a staff of 17 authorized positions and is currently led by Executive Director Tim Rainey. In 2008, CWIB established the Green Collar Jobs Council to address the workforce development needs of the emerging clean and green economy.

Among its primary duties, the CWIB provides guidance to local LWIBs and is responsible for the development of a unified, strategic plan to coordinate various education, training, and employment programs that result in an integrated workforce development system that supports economic development. The plan is required to be updated at least every 5 years in order to address the state's changing economic, demographic, and workplace needs. The most recent plan was submitted to the federal Department of Labor in April 2013 and approved after consultation and modest revisions in June 2013. California's Strategic Workforce Development Plan 2013-2017 - "Shared Strategy for a Shared Prosperity," prioritizes regional coordination among key partners, sector-based employment strategies, skill attainment through 'earn and learn' and other effective training models (including, but not limited to apprenticeship), and development of career pathways.

Based on the framework of the state plan, in July 2013, the LWIBs submitted local workforce investment plans for the CWIB's review. Key among the policy enhancements in the current state and local plans are strengthened performance indicators to allow for ongoing monitoring of the plan's success. There are 49 LWIBs that plan for and oversee the workforce investment system at the local

level. Each LWIB also has one or more One-Stop Centers, which provide access to career information, counseling, and funding for education, training and supportive services.

8) **Related Legislation:** Legislation related to this measure includes the following:

- a) **AB 8 (V. Manuel Pérez) Renewable Energy Workforce Readiness Initiative:** This bill would have required the California Workforce Investment Board, in consultation with the Green Collar Jobs Council, to establish a Renewable Energy Workforce Readiness Initiative, as specified. As part of these activities, the California Workforce Investment Board would have provided 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: Vetoed by the Governor, 2011.
- b) **AB 1019 (Ammiano) Prison Workforce Training:** This bill requires goals for career technical education to be set by the Superintendent of Correctional Education, and establishes factors that are required to be considered when establishing a career technical education program, as specified.. Status: Signed by the Governor, Chapter 789, Statutes of 2013.
- c) **AB 1837 (Atkins) Social Innovation Financing to Address Recidivism:** This bill Establishes the Social Innovation Financing Program, administered by the Board of State and Community Corrections, which provided grants to three counties for the purpose of utilizing pay-for-success contracts to reduce recidivism. Status: Signed by the Governor, Chapter 802, Statutes of 2014.
- d) **AB 2060 (V. Manuel Pérez) Supervised Population Workforce Training Grant Program:** This bill establishes the Supervised Population Workforce Training Grant Program. The Program is comprised of two distinct funding streams: one stream for post-secondary training that may lead to certifications and placement on a middle-skill career ladder and a second stream for individuals that are starting with low educational attainment and need help with basic academic skills. Status: Signed by the Governor, Chapter 383, Statutes of 2014.
- e) **AB 2526 (Gonzalez) Community Corrections Program:** This bill would require a rank-and-file deputy sheriff or a rank-and-file police officer and a rank-and-file probation officer or a deputy probation officer, to be appointed by a local labor organization, to the membership of a Community Corrections Partnership. The bill would require the vote of the rank-and-file deputy sheriff or rank-and-file police officer and a rank-and-file probation officer or deputy probation officer on the local plan. Status: Held in the Senate Committee on Public Safety, 2014.
- f) **SB 105 (Steinberg) Recidivism Reduction Fund:** This bill, among other things, created the Recidivism Reduction Fund in the State Treasury to be available for appropriation by the Legislature for activities aimed at reducing the state's prison population, including, but not limited to, reducing recidivism. Status: Signed by the Governor, Chapter 310, Statutes of 2013.

- 9) **Double Referral:** The Assembly Rules Committee has referred this measure to the Assembly Committee on Public Safety (PS) and the Assembly Committee on Jobs, Economic Development and the Economy. This measure passed PS on a 7 to 0 vote.

REGISTERED SUPPORT / OPPOSITION:

Support

California Public Defenders Association
California Workforce Association
Communities United for Restorative Youth Justice
PolicyLink
Root & Rebound

Opposition

None received

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