

AMENDED IN SENATE AUGUST 25, 2020  
AMENDED IN SENATE AUGUST 20, 2020  
AMENDED IN SENATE AUGUST 4, 2020  
AMENDED IN SENATE JUNE 29, 2020  
AMENDED IN ASSEMBLY MAY 24, 2019  
AMENDED IN ASSEMBLY APRIL 11, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1457**

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**Introduced by Assembly Members Cervantes and Reyes**  
*(Coauthors: Assembly Members Boerner Horvath, Chau,  
Eduardo Garcia, Medina, Quirk-Silva, and Luz Rivas)*  
*(Coauthors: Senators Chang and Roth)*

February 22, 2019

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An act to add and repeal Section 13997.3 of the Government Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 1457, as amended, Cervantes. Regional business training center network: pilot project.

Existing law establishes the Employment Training Panel within the Employment Development Department. Under existing law, the panel is charged with performing various duties, including establishing a 3-year plan based on the demand of employers for trained workers, changes in the state's economy and labor markets, and continuous reviews of the effectiveness of panel training contracts.

Existing law establishes the California Community Colleges Economic and Workforce Development Program with the purpose of, among other things, using labor market information to advise the chancellor's office and regional community college bodies on the workforce needs of the state's competitive and emerging industry sectors, and collaborating and coordinating investment with other state, regional, or local agencies involved in education and workforce training in California. Existing law authorizes the governing board of any community college district to contract education programs by agreement with any public or private agency, corporation, association, or any other person or body, to provide specific educational programs or training to meet the specific needs of those bodies.

~~This bill would~~, *bill*, upon appropriation by the Legislature, *would* require the Employment Training Panel to establish a pilot project to enhance the regionally focused statewide business training center network of community college contract education centers to partner with other assistance providers serving small businesses. The bill would authorize the pilot project to be guided through a partnership with the Employment Training Panel, including the California Community Colleges, the Governor's Office of Business and Economic Development, the Labor and Workforce Development Agency, and the California Workforce Development Board.

This bill would state that the purpose of the pilot project is to support the enhancement of a regionally focused statewide network of at least 10 regional business training centers, and their subcontracted community college partners, to support the upskilling of the regional workforce to meet the demand for jobs in essential industry sectors during the COVID-19 pandemic and in the emerging and dominant industry sectors in the post COVID-19 economy, and to strengthen the capacity of a region's small business service providers to meet the demands being placed upon it by the COVID-19 pandemic, as specified. The bill would require community colleges participating in the pilot project to offer short-term training programs that assist displaced and incumbent workers in obtaining the skills necessary to work within essential, emerging, and dominant industry sectors, as specified. The bill would authorize the Employment Training Panel, and its partners, to establish an advisory board of businesses, workforces, and economic development stakeholders to provide advice and to review the pilot project. The bill would require the Employment Training Panel to submit 2 annual reports on the activities of the pilot project and a final report that includes an

overall summary of the activities of the pilot project and an assessment of the effectiveness of the pilot project, as specified. The bill would repeal these provisions January 1, 2025.

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. (a) The Legislature finds and declares all of the  
2 following:

3 (1) California’s dominance in many economic areas is based,  
4 in part, on the significant role small businesses play in the state’s  
5 \$2.9 trillion economy.

6 (2) Two separate studies, one by the United States Census  
7 Bureau and another by the Kaufman Foundation, found that net  
8 job growth was strongest among businesses with less than 20  
9 employees. California firms represented 12.6 percent of all  
10 businesses in the United States in 2015, with 88.3 percent of firms  
11 having less than 20 employees.

12 (3) Supporting small business development has shown to be a  
13 successful inclusive economic growth strategy advantaging  
14 businesses throughout the state, including historically underserved  
15 business groups such as minority-, women-, and veteran-owned  
16 businesses, and hard to serve areas of the state such as low wealth,  
17 rural, and disaster-impacted communities.

18 (b) In order for the state to fully leverage the economic  
19 opportunities represented by supporting small businesses, it is the  
20 intent of the Legislature that a two-year pilot project be undertaken  
21 to facilitate the integration of the statewide network of workforce  
22 training centers administered by the community college contract  
23 education centers within the existing network of small business  
24 technical and financial assistance centers.

25 (c) The pilot project, established pursuant to Section 13997.3  
26 of the Government Code, builds upon existing coordination efforts  
27 between successful programs at the Employment Training Panel,  
28 the California Community Colleges, and California’s Local  
29 Workforce Development Boards. Recovering from the economic  
30 impacts of the COVID-19 pandemic is placing increased pressure  
31 to upskill unemployed and incumbent workers. A more robust

1 regional education and training system is better able to meet the  
2 range of workforce needs of business and industry.

3 SEC. 2. Section 13997.3 is added to the Government Code, to  
4 read:

5 13997.3. (a) The Employment Training Panel shall establish  
6 a pilot project to enhance the regionally focused statewide business  
7 training center network of community college contract education  
8 centers to partner with other assistance providers servicing small  
9 businesses. The pilot project may be guided through an  
10 Employment Training Panel partnership, which may include the  
11 California Community Colleges, the Governor's Office of Business  
12 and Economic Development (GO-Biz), the Labor and Workforce  
13 Development Agency, and the California Workforce Development  
14 Board.

15 (b) The Employment Training Panel shall develop the pilot  
16 project to achieve *all of* the following purposes:

17 (1) To support the enhancement of a regionally focused  
18 statewide network of at least 10 regional business training centers,  
19 and their subcontracted community college partners, within the  
20 California Community Colleges that hold multiple employer  
21 contracts with the Employment Training Panel.

22 (2) To support the upskilling of the regional workforce to meet  
23 the demand for jobs in essential industry sectors during the  
24 COVID-19 pandemic and in the emerging and dominant industry  
25 sectors in the post COVID-19 economy.

26 (3) To strengthen the capacity of a region's small business  
27 service providers to meet the demands being placed upon it by the  
28 COVID-19 pandemic through heightened coordination and referrals  
29 between small business financial and technical assistance centers  
30 and regional education and training system partners, including,  
31 but not limited to, community college credit, noncredit, and  
32 not-for-credit courses, community college workforce training units,  
33 including contract education, local workforce boards, public and  
34 private universities and colleges, and private training and higher  
35 education partners. The intent is to increase coordination within  
36 the workforce development ecosystem, leverage and build upon  
37 existing efforts to avoid duplication, and to supplement and expand  
38 where needed to meet employer training needs.

39 (c) (1) (A) Each region's training activities under the pilot  
40 project shall be based on a regional skills map that identifies and

1 compares the occupations that experience the highest number of  
2 job losses with those that will require additional workers, including  
3 occupations in industries that are considered essential in the state’s  
4 response to the pandemic and those that will require additional  
5 workers as the state economy recovers.

6 (B) The regional skills map shall be developed by the  
7 Community College Centers of Excellence within the California  
8 Community Colleges Economic and Workforce Development  
9 Program (Part 52.5 (commencing with Section 88600) of Division  
10 7 of Title 3 of the Education Code). The contract education centers  
11 shall provide information on the types of courses being requested  
12 from businesses for upskilling of incumbent and new workers. The  
13 data used in the development of the map shall be available, upon  
14 request, to local workforce boards within the region.

15 (C) The identification of the dominant and emerging industry  
16 sectors shall be informed by the most recent local workforce board  
17 local plans and the California Community Colleges Strong  
18 Workforce regional plans.

19 (2) Based on the regional skills map developed pursuant to  
20 paragraph (1), the workforce training and contract education units  
21 of community colleges participating in the pilot project shall offer  
22 short-term training programs that assist displaced and incumbent  
23 workers in obtaining the skills necessary to work within essential,  
24 emerging, and dominant industry sectors. Training provided shall  
25 be consistent with the requirements described in subdivision (g)  
26 of Section 88821 of the Education Code and qualify as a  
27 “short-term workforce training program” as defined in subdivision  
28 (q) of Section 88822 of the Education Code.

29 (d) The Employment Training Panel and the partners may  
30 establish an advisory board of businesses, workforces, and  
31 economic development stakeholders to provide advice on the  
32 activities to, and review of, the pilot project.

33 (e) The Employment Training Panel may allocate up to 30  
34 percent of the funds appropriated for the purpose of the pilot project  
35 to the contract education centers prior to the completion of the  
36 regional skills gap map.

37 (f) The Employment Training Panel shall submit, in compliance  
38 with Section 9795, all of the following reports:

39 (1) On or before October 1, 2021, an annual report of the  
40 activities of the pilot project in the previous 12 months.

1 (2) On or before October 1, 2022, an annual report of the  
2 activities of the pilot project in the previous 12 months.

3 (3) On or before January 1, 2023, a final report that includes an  
4 overall summary of the activities of the pilot project and an  
5 assessment of the effectiveness of the pilot project in achieving  
6 the purposes identified in subdivision (b).

7 (g) The pilot project shall become operative only upon the  
8 Legislature making an appropriation to implement the provisions  
9 of this section.

10 (h) This section shall remain in effect only until January 1, 2025,  
11 and as of that date is repealed.