

Date of Hearing: April 30, 2014

ASSEMBLY COMMITTEE ON JOBS, ECONOMIC DEVELOPMENT AND THE ECONOMY

Jose Medina, Chair

AB 2060 (V. Manuel Pérez) – As Amended: April 21, 2014

SUBJECT: Postrelease Community Supervision Population Workforce Training Grant Program

SUMMARY: Establishes the Supervised Population Workforce Training Grant Program (Program) to be administered by the California Workforce Investment Board (CWIB). For the purposes of establishing and implementing the Program, this bill:

- 1) Requires that the Program be competitive; open to all counties, as specified; and funded, upon appropriation from the Legislature using money from the Recidivism Reduction Fund.
- 2) Requires CWIB to administer the Program as follows:
  - a) Develop criteria for the selection of grant recipients through a public process.
  - b) Design the grant program application to ensure that there is:
    - i) Fairness and competitiveness for smaller counties;
    - ii) Fair and equitable geographic distribution of grant funds; and,
    - iii) Greater consideration given to a county that has demonstrated that they have a collaborative working relationship with one or more local workforce investment boards or that the county is currently administering a workforce training program for the supervised population.
- 3) Provides that each county is eligible to apply for the grant program funds but that preference is given to counties with demonstrated matching funding. The bill allows matching funds to come from governmental or nongovernmental sources, including, but not limited to, local workforce investment boards, local governments, or private foundation funds.
- 4) Specifies that eligible uses of grant funds include, but are not limited to, vocational training, stipends for trainees, and apprenticeship opportunities for the supervised population.
- 5) Requires grant recipients to report to CWIB regarding their use of the funds and workforce training program outcomes upon completion of the grant period.
- 6) Requires the CWIB to submit an evaluation of the Program by January 1, 2017, which includes information submitted by the grant recipients and the CWIB's analysis of overall program outcomes, , as specified.

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 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.
- 3) Allows funds available in the Recidivism Reduction Fund to be transferred to the State Community Corrections Performance Incentives Fund.

FISCAL EFFECT: Unknown

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."

- 2) Framing the Policy Issue: This bill proposes the establishment of a new program to support quality workforce training and job placement services to men and women who are reentering communities from incarceration. 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

In deliberating the merits of the measure, Members may wish to consider the challenges formally incarcerated individuals face in reentering society and the social and financial cost to society for the state's high recidivism rate. The analysis includes information on these issues including suggested amendments in Comment 8 and a list of related legislation.

- 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 reported that the system's mental health care continued to seriously and negatively be impacted by overcrowding. In the second case a decade later, *Planta v. Brown* (filed 2001), the state conceded deficiencies in prison medical care violated prisoners Eight Amendments rights and stimulated to remedial injunction. When the state failed to comply with the injunction, the plaintiffs in both cases moved to convene a three-judge court in order command the state to reduce the prison population. The cases were ultimately consolidated and, in August 2009, the federal 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 that 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 [*Planta/Coleman v. Brown*]. Failing to meet this deadline, the court stated would result in the early release of inmates.

In response to this 2009 order, the state has taken a variety of actions to reduce the size of its prison population. The most significant of these changes was the 2009 parole reforms and the 2011 realignment of certain criminal justice responsibilities from the state to the California counties. By the end of 2012–13, realignment has been credited with reducing the prison population by tens of thousands of inmates. The reductions were, however, insufficient to meet the court mandate and, upon request, the June 2013 deadline was extended to April 18, 2014.

Understanding that additional actions would still be needed to meet the court order regardless of the specific deadline, the Legislature passed and the Governor signed legislation, which provided CDCR with an additional \$315 million in General Fund support in 2013–14. These moneys were appropriated to be used for contracts to secure a sufficient amount of inmate housing to meet the court order and to take other actions to avoid the early release of inmates. The measure also included provisions to provide program flexibility should the court again extend the deadline for meeting the capacity limit. Specifically, the bill allows up to \$75 million that would have otherwise been used to contract for bed space to be deposited in the Recidivism Reduction Fund. Additional program savings are to be allocated as follows: 50% reverted to the General Fund and 50% transferred to the Recidivism Reduction Fund. [*AB 105 (Steinberg), Chapter 310, Statutes of 2013*]

In January 2014, the Governor again requested the court extend the deadline to reduce the prison population. The court subsequently granted the extension. Specifically, the court ordered the state to reduce its prison population to:

- 143% of design capacity by June 30, 2014.
- 141.5% of design capacity by February 28, 2015.
- 137.5% of design capacity by February 28, 2016.

The court also plans to appoint a Compliance Officer. If the administration fails to meet any of the above benchmarks, the Compliance Officer would be authorized to order the release of the number of inmates required to meet the benchmark.

According to the Legislative Analysts' Office, the administration's plan to comply with the court order consists of three primary strategies: (1) contracting for bed space, (2) utilizing funding from the Recidivism Reduction Fund to support initiatives intended to reduce the prison population, and (3) implementing population reduction measures. More specifically, the Governor's budget proposes a total of \$481.6 million to house about 8,000 inmates in in-state contract beds and above 9,000 inmates in out-of-state contract beds in 2014–15. This represents an increase of \$97.1 million and over 4,700 contract beds above the revised 2013–14 level.

- 4) Recidivism Reduction Fund: Moneys in the Recidivism Reduction Fund are to be used to fund activities help lower the state's prison population, including, but not limited to, reducing recidivism. It is currently estimated that the Recidivism Reduction Fund has over \$81 million in the budget year. Senator Darrell Steinberg, Pro Tempore of the Senate, is reported as saying he would be open to substantially increasing the amount of moneys appropriated to the Recidivism Reduction Fund based

on the needs of the formerly incarcerated and the significant consequences should the state fail to meet its court mandated inmate reduction deadlines.

The Republican Members of the Assembly Select Committee on Justice Reinvestment, have also recommended nearly doubling deposits into the Recidivism Reduction Fund, from \$81million to \$157.7 million. Of this amount, they recommend that \$30 million be allocated to county probation departments for first-time juvenile offenders.

AB 2060 seeks to use funds from the Recidivism Reduction Fund to provide grants to county governments to assist in vocational training, stipends for trainees, and apprenticeship opportunities. The bill targets these services to supervised probation, mandatory supervision, or postrelease community supervision.

- 5) State Strategy on Employment of Former Offenders: The federal Workforce Investment Act requires the Governor, through 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 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 formally 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](http://edd.ca.gov/Jobs_and_Training/pubs/wsd12-9.pdf) ."

Consistent with Adults Goal Objective 1, Action 2; the State Board will work with the LWIBs to identify in their Local Plan strategies they will utilize to identify and remove barriers hampering their investment of WIA Adult and Dislocated Worker funds in [career technical education] programs to the ex-offender population in their areas.

- 6) Examples of Training Activities: In preparation for this analysis, the Committee asked the California Workforce Association to survey its membership about current and previous activities related to reentry programs that targeted the formally 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 answers provided.

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 addition to answering these questions, the California Workforce Association also commented on the importance of wrap around services and the importance to address the basic needs on the individuals reentering communities, such as shelter, food, and having a healthy support network. Without their core survival needs being within reach, it is much more difficult 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 \$411 million in 2012-13. 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. In 2012-13 LWIBs received \$348 million, while the state received about \$20 million in discretionary moneys.

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 GCJC 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) Amendments: Committee staff has been working the author on technical and policy amendments, which will be presented during the hearing. The proposed amendments:
- Add legislative intent that outlines the challenges faced by the state in meeting the court order inmate population reductions targets and the challenges faced by individuals in reentering communities after being incarcerated;
  - Add a statement of purpose to the Program and identify baseline and metrics for selecting proposals. These will be consistent with the expected outcomes already identified in the bill;
  - Divide the Program grants into two distinct training 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;

- d) Strengthen the relationships with the LWIBs;
  - e) Provide additional direction to the CWIB on how fairness and equity should be implemented in the program; and
  - f) Make technical amendments.
- 9) 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 285 (Brown) Scope of Practice for the California Workforce Investment Board*: This bill would have required the California Workforce Investment Board to make recommendations and provide technical assistance on entrepreneurial training opportunities that could be made available through local workforce investment boards. The bill would have also deleted certain required duties of the California Workforce Investment Board and made changes to the definition of microenterprise. Status: Vetoed by the Governor, 2013.
  - c) *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.
  - d) *AB 1797 (Rodriguez) Earn and Learn Job Training*: This bill require the State WIB, in consultation with specified agencies, to identify opportunities for "earn and learn" job training opportunities and develop the means to identify, assess, and prepare a pool of qualified candidates seeking to enter those training models. Status: AB 1797 is pending in the Assembly Committee on Labor and Employment.
  - 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: Pending in Senate Rules.
  - 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.
  - g) *SB 118 (Lieu) Education and Workforce Investment Systems*: This bill required the California Workforce Investment Board to incorporate specific principles into the state's strategic plan to align the education and workforce investment systems of the state to the needs of the 21st century economy and promotes a well-educated and highly skilled workforce to meet the state's future workforce needs. Status: Signed by the Governor, Chapter 562, Statutes of 2013.

10) Double Referral: The Assembly Committee on Rules referred this measure to two policy committees for review. AB 2060 passed the Assembly Committee on Public Safety (PS) on April 8, 2014 on a 7 to 0 vote. As noted above, the amendments discussed in the PS hearing resulted in the more defined list of reporting requirements.

REGISTERED SUPPORT / OPPOSITION:

Support

PolicyLink (sponsor)  
Communities United for Restoring Youth Justice (sponsor)  
California Budget Project  
California Hospital Association  
California Labor Federation, AFL-CIO  
California Manufacturing and Technology Association  
California Workforce Association  
Career Ladders Project for the California Community Colleges  
Los Angeles Area Chamber of Commerce  
National Center for Youth Law  
National Council of La Raza  
State Building and Construction Trades of California

Opposition

None received

Analysis Prepared by: Toni Symonds / J., E.D. & E. / (916) 319-2090