

Date of Hearing: March 31, 2022

ASSEMBLY COMMITTEE ON JOBS, ECONOMIC DEVELOPMENT, AND THE ECONOMY

Sabrina Cervantes, Chair

AB 2200 (Arambula) – As Amended March 24, 2022

SUBJECT: Online Jobs and Economic Support Resource Grant Program

POLICY FRAME: Responding to the coronavirus pandemic required the state to take extreme and rapid steps to protect the health and safety of Californians. Within one week in March 2020, the state went from open-for-business to implementing a strict stay-at-home order for everyone not directly engaged in what the government considered an essential and critical business activity. Since March 12, 2020, over 26.7 million unemployment insurance claims have been filed or reopened, and over \$181 billion has been aided out.

Even before to the pandemic, many regions of the state and groups were experiencing substantially higher unemployment than the state as a whole. As an example, in January 2020, the statewide unemployment rate was 4.3%. Unemployment rates for certain population groups, such as Blacks (5.3%) and people 20-to-24 years old (7.2%), and regions of the state, including Colusa County (18.7%), were sometimes nearly or more than double the statewide average. The disparities are driven by and also influence a range of economic and societal issues, including, but not limited to, minimal educational attainment, economic insecurity, poor health outcomes, negative engagements with law enforcement, and lack of a safety net for the elderly and individual with special needs. COVID-19 magnified these effects, further straining already struggling low-wage workers, particularly in the Black and Latinx communities.

AB 2200 proposes the establishment of a grant program to fund the development and maintenance of online platforms that support workforce training and job placement for historically marginalized populations. This program is needed because these types of technologies are often excluded or not realistically included as an eligible cost within traditional workforce training programs.

The analysis includes information on the California Workforce Board, examples of online workforce platforms, information on California's workforce, and economic disparities among the California workforce. Suggested amendments are included in Comment 7.

SUMMARY: AB 2200 establishes the Online Jobs and Economic Support Resource Grant Program, administered by the California Workforce Development Board (CWDB), for the purpose of funding inclusive, cross-jurisdictional, and innovative online platforms that support employment and earning opportunities. Specifically, **this bill:**

- 1) Requires, upon the appropriation of funds, that CWDB establish the Online Jobs and Economic Support Resource Grant Program (Program) for the purpose of funding inclusive, cross-jurisdictional, and innovative online platforms that support employment and earning opportunities. Funds are to be awarded with a strong focus on underserved and economically challenged communities.
- 2) Specifies that the goals of the Program are to:
 - a) Reduce digital infrastructure gaps in employment and training services for individuals who face barriers to employment.

- b) Enhance the ability of public and nonprofit entities to meet the needs of individuals who face barriers to employment by funding the technologies that will allow these entities to help their clients to bridge the digital divide.
 - c) Support workforce and employment programs that provide whole-person approaches to upward mobility, including the provision of wraparound services to reduce barriers to employment or earning opportunities.
- 3) Requires the CWDB to adopt guidelines and policies, which include, but are not limited to:
- a) A competitive award process, including rating and ranking criteria, as specified.
 - b) Conditions and requirements for drawing down grant funds that include a written grant agreement between the Board and selected grant recipient.
 - c) Reporting of milestones and outcomes, as specified.
 - d) A dispute resolution process.
- 4) Requires applications to be ranked based upon the following criteria:
- a) Whether the application is designed to meet the goals of the grant.
 - b) The potential impact on under-resourced populations and individuals with employment barriers.
 - c) The extent of collaboration with governmental and nongovernmental partners.
 - d) The responsiveness of the proposal to evolving workforce and societal needs.
- 5) Requires priority to be given to applicants who demonstrate existing engagement with targeted populations, as specified.
- 6) Requires the CWDB to issue a request for proposals to award grant funds within 120 days after funding has been appropriated.
- 7) Specifies that an eligible applicant be one of several entities, which includes a legally formed for-profit, nonprofit, cooperative, public benefit corporation, or local government. If the applicant is a for-profit entity, the bill requires the applicant to apply in partnership with a nonprofit, cooperative, public benefit corporation, or local government.
- 8) Requires the application to include, but not limited to:
- a) A proposal narrative that identifies the purpose and goals of the grant; roles and responsibilities of the applicant and its partners if any; and an outreach strategy that will be used to connect with under-resourced populations and individuals with employment barriers.
 - b) Documentation that demonstrating that each partnering entity has agreed to the grant proposal activities.
 - c) The designation of one or more targeted populations that will be served by the online platform.
 - i) Target populations include but are not necessarily limited to under-resourced communities and individuals with employment barriers.
 - ii) Identification of how the platform can be used to reduce employment barriers or enhance access to the online platform.

- d) The designation of a service area, which may include one or more regions or be statewide.
 - i) Data on the estimated number of individuals who will be served by the platform
 - ii) Data on the estimated number of individuals identified in the target population who the platform will served.
 - e) A description of how the applicant and its partners, if any, provide services that align with and address service delivery or technology gaps, and enhance state, regional, and local infrastructure, services, or community engagement. The program is not intended to duplicate resources, but may augment services to meet unmet needs.
 - f) A proposed budget including, but not limited to, how the online services will be provided to the targeted population at no cost to the user.
 - g) A proposed impact assessment and timeline, including benchmarks, metrics, progress reports, and final deliverables.
 - h) An overview of the capability of the online platform and documentation of how the platform will achieve its specified purpose, including:
 - i) How the platform is, or will be, integrated within, or connected to, local, regional, and statewide workforce or economic development activities.
 - ii) The extent to which the mechanisms of the online platform do each of the following:
 - (1) Connect users to employment, entrepreneurship, or other economic opportunities.
 - (2) Help users to access training programs that offer the ability to develop new skills and expand on existing skills.
 - (3) Help users to identify and access support services such as free or reduced-cost services for medical care, food, shelter, transportation, or childcare. These may include but are not limited to connection with services provided by state or local agencies.
 - (4) Have the capacity to serve a region or the entire state.
 - (5) Have the capacity to work across multiple technology platforms, such as computers, telephones, and tablets.
 - (6) Collect socioeconomic and demographic data from users.
 - (7) Comply with applicable California privacy laws.
- 9) Requires applicants to individually or in partnership with other entities, demonstrate experience in each of the following areas:
- a) Serving under-resourced populations and individuals with employment barriers, as defined.
 - b) Collaborating with stakeholders including, but not limited to, regional workforce boards, appropriate state agencies, and statewide training partners.
 - c) Maintaining or constructing online platforms or digital infrastructure.
- 10) Establishes the Online Jobs Account within the Breaking Barriers to Employment Initiative Fund for the purpose of receiving funds to startup and administer the Online Jobs and Economic Support Resource Grant Program. Funds collected or received from gifts, bequests, or donations, are required

to be deposited in accordance with specified transparency and conflict of interest provisions, as specified.

- 11) Requires awarded grants funds to exclusively be used for the following expenses:
 - a) Design, build, and testing of an online platform, as specified.
 - b) Web hosting services for the platform, fees associated with listing support services on the platform, relevant technical personnel, and payments to external providers, including, but not limited to, messaging providers that promote access to the platform.
 - c) The infrastructure necessary to operate, maintain, and improve the online platform, including, but not limited to, software and hardware.
 - d) Support and training for platform users and production of instructional material for those users.
- 12) Prohibits more than 30% of any grant award to be used on outreach and marketing, as follows:
 - a) No more than 25% of the total grant can be used for outreach to designated communities, as specified, or any other outreach intended to enhance access to the online platform.
 - b) No more than 5% of the total grant can be used for outreach to potential providers of employment opportunities, training, or services.
- 13) Requires each grant to be for no less than one hundred thousand dollars (\$100,000).
- 14) Requires, as a condition of receiving grant funds, that the grant recipient submit an annual report that includes all of the following:
 - a) The use of the grant funds.
 - b) Progress made in achieving the commitments made in the application and identified in the written agreement, as specified.
 - c) The number of individuals who accessed the online platform.
 - d) A description of the resources available to support job and earning opportunities, training sessions, and support services.
 - e) Aggregate demographic data on the online platform users, including users from targeted populations.
 - f) Data from partners, if any, regarding the number of individuals who connected with services, training, employment opportunities, outreach activities, or other methods of engagement.
 - g) Other information related to the implementation of the grant, as determined by the CWDB.
- 15) Requires, upon appropriation of funds to activate the program, the CWDB to post notice on the home page of its internet website and send the notice to the Chief Clerk of the Assembly and Senate, as specified.

EXISTING LAW:

- 1) Establishes the CWDB as the government body responsible for assisting the Governor in the development, oversight, and continuous improvement of California's workforce investment system

and the alignment of the education and workforce investment systems to the needs of the 21st-century economy and workforce and the development of a high road economy that offers an educated and skilled workforce with fair compensation and treatment in the workplace.

- 2) Requires the CWDB, among other duties, to further assist the Governor in:
 - a) Identifying barriers and means for removing barriers to better coordinate, align, and avoid duplication among the programs and activities carried out through the system.
 - b) The development, promotion, and implementation of strategies for providing effective outreach to and improved access for individuals and employers who could benefit from services provided through the workforce development system.
 - c) Helping individuals with barriers to employment, including low-skill, low-wage workers, the long-term unemployed, and members of single-parent households, achieve economic security and upward mobility by implementing policies that encourage the attainment of marketable skills relevant to current labor market trends.

- 3) Defines an “individual with employment barriers” to mean an individual with any characteristic that substantially limits an individual’s ability to obtain employment, including indicators of poor work history, lack of work experience, or access to employment in nontraditional occupations, long-term unemployment, lack of educational or occupational skills attainment, dislocation from high-wage and high-benefit employment, low levels of literacy or English proficiency, disability status, or welfare dependency, including but not limited to members of all of the following groups:
 - a) Low-income individuals.
 - b) Indians, Alaska Natives, and Native Hawaiians, as specified.
 - c) Individuals with disabilities, including youths who are individuals with disabilities.
 - d) Ex-offenders.
 - e) Homeless individuals, as defined.
 - f) Youth who are in or have aged out of the foster care system.
 - g) Individuals who are English language learners, individuals who have low literacy levels, and individuals facing substantial cultural barriers.
 - h) Eligible migrant and seasonal farmworkers, as defined.
 - i) Long-term unemployed individuals.

FISCAL EFFECT: Unknown

COMMENTS & CONTEXT:

- 1) **Examples of Online Platforms that Support Training and Employment:** Bitwise, who is the sponsor of AB 2200, an online platform that supports computer programming and an infrastructure training program via Geekwise Academy. The firm describes its workforce model as “intentionally designed to produce graduates who match the demographics of the places we serve. By extension, we are producing the most diverse technology workforce on the planet.”

According to the Bitwise 2020 impact report for their work in Fresno, Bakersfield, Oakland, and Merced, their platform supported the training of over 3,400 students, of which 28.9% had not completed high school, and 71% had not completed a four-year degree. One of the advantages of an online platform is the potential to reach younger underserved populations. A selection of self-identified student characteristics illustrates this diversity: LGBTQI (41%), Latinx (55.4%), and first-generation Americans (40.4%). Also of interest is that 50% of the 2020 graduates were hired in tech roles in non-tech businesses, which is an important outcome for small business owners who need a greater online presence and increasingly manage their business through cloud technologies.

The Online Resource Grant Program may also provide funding for small business technical assistance centers, such as Small Business Development Centers and Minority Business Development Centers, which have been requesting resources to establish and maintain online platforms to better serve their clients. Initial state funding did not include IT infrastructure as an eligible cost, which became an issue during the early months of the pandemic as some of these centers experienced a 5X increase in small business clients.

Another online platform heavily utilized during the pandemic is the CalFLEXI Platform, which supports the needs of California's irregular workforce. Sponsored by the Pacific Gateway Workforce Partnership (Long Beach Workforce Development Board), in partnership with Beyond Jobs (nonprofit), the platform helps workers get the appropriate training to provide in-home childcare, while also supporting the technology for essential workers to schedule qualified childcare to match their often irregular and nontraditional work hours.

The Beyond Jobs serves as the employer of record, thereby ensuring the child care provider is equitably treated, receives a W-2 with benefits, and insurance. Pilot funding was provided through City of Long Beach CARES Act funding and by the Annie Casey Foundation, Walmart Foundation, Kauffman Foundation, Wells Fargo Foundation, Irvine Foundation, and Workers' Lab. The pilot won the US Conference of Mayors' prize for best job or economic development initiative in America in 2020. With the pilot successfully completed, other regions could benefit, but, as noted earlier, funding online platforms is not an eligible cost in many public programs.

- 2) **Economic Justice and Building an Equitable Economy:** Those individuals and communities most impacted by the coronavirus emergency have been and continue to be California's most vulnerable and historically underinvested neighborhoods and groups of individuals.

This is not a new trend. Research shows that the inequality between the residents in low-income communities and those that reside in California's most affluent communities has dramatically increased in the past several decades. For example, the pretax income among the highest 1% of California taxpayers increased from 9.82% in 1980 to 25.1% of total income in 2013. During the last seven years, the pace of these disparities has only increased. This rise in economic disparity has significant social and economic ramifications for everyone in the state.

As the coronavirus pandemic unfolded, the federal Centers for Disease Control and Prevention (CDC) began reporting that "current data suggest a disproportionate burden of illness and death among racial and ethnic minority groups." In identifying factors that may be related to these findings, the CDCP noted that "[h]ealth differences between racial and ethnic groups are often due to economic and social conditions that are more common among some racial and ethnic minorities than whites."

PolicyLink, in its COVID-19 economic recovery strategy, called for “sustained and race-conscious policies and investments to stabilize people during the crisis and bridge to a more equitable future.” In taking actions to respond and economically recover from the pandemic, PolicyLink recommended that policymakers be guided by three principles:

- Ensure economic security during the crisis.
- Use stimulus funds to build the next economy.
- Forge a new social contract that enables shared prosperity.

PolicyLink is not an outlier in calling for targeted investment in communities of color and focusing on building a more equitable economy. Addressing the systemic and complex challenges faced by California’s low-income neighborhoods of color will require deep economic, workforce, and community development work over a sustained period of time.

Technology can play an important part in increasing access and consistent participation for individuals who need to work or meet other obligations during traditional class time or live in areas where public transportation does not reasonably connect to traditional classroom locations. Online platforms can be transformational for individuals by providing access to high quality training and new employment opportunities.

3) **The Challenge of Income Inequality during COVID-19:** While California’s dominance in innovation-based industries is unquestionable, the divide between the middle- and lower-income households and the top income earners is accelerating. Even when California’s unemployment rate was at historic lows pre-pandemic, unemployment within certain geographic regions and population groups remained significantly higher, as did the number of people in the state who were not participating within the core economy. In March 2020, California reported an unemployment rate of 5.1% as compared to the US rate of 4.5%. From the employment side, this represents 18.1 million people in California, with (*according to 12-month moving average*) 82.5% being employed in full time work.

The State of California Economic Development Department, in March 2020 (*not seasonally adjusted*), reported three of California’s 58 counties had unemployment below 3.0%, with San Mateo County reporting the lowest at 2.5%. The highest unemployment was reported in Colusa (21.4%). Year-over (March 2019- March 2020), three counties experienced an unemployment rate decline, three counties experienced no change in unemployment rate and 52 experienced unemployment rate increases from the prior year.

Chart 1 – Selected Data on Unemployment shows unemployment-related information by selected counties and population groups for a time period that includes COVID-19, March 2020 to March 2021. Comparable unemployment date for January 2022 is also included.

Chart 1 - Selected Data on Unemployment (2020-2021)							
Unemployment Rate (Not Seasonally Adjusted)				Unemployment Rate (Not Seasonally Adjusted) (12 month moving average)			
	March 2020	March 2021	January 2022		March 2020	March 2021	January 2022
California	5.1%	8.2%	5.5%	California	4.1%	11.1%	6.9%

Colusa County	21.4%	15.4%	14.8%	Blacks	5.2%	13.9%	11.3%
Imperial County	20.4%	15.7%	15.6%	Hispanics	4.7%	12.5%	7.6%
Los Angeles County	5.6%	10.9%	6.1%	Whites	4.0%	10.8%	6.5%
Orange County	4.19%	7.0%	4.2%	16 to 19 years old	15.1%	24.5%	14.9%
Riverside County	4.7%	7.7%	5.6%	20 to 24 years old	7.6%	17.5%	10.9%
Sacramento County	4.3%	7.4%	5.4%	25 to 34 years old	4.1%	11.7%	6.7%
San Bernardino County	4.4%	7.8%	5.7%	*The Employment Development Department reports a March 2021 (12-month moving average) Labor Participation Rate (LPR) of 60.2% with 12.4 million people in California representing those who were not participating in the workforce (the remaining 38.8%). The LPR for veterans is 42.4% vs nonveterans LPR of 63.3%.			
San Luis Obispo County	3.5%	5.8%	3.6%				
San Mateo County	2.5%	5.0%	3.1%				
Tulare County	13.2%	11.6%	9.5%				
Source: www.edd.ca.gov							

In March 2021, California was reported to have an unemployment rate of 8.2% (*not seasonally adjusted*) compared to the US rate of 6.2%. From the employment side, this represents 17.3 million people, with 83.0% (*based on a 12-month moving average*) being employed in full-time work. In January 2022, the unemployment rate was reported at 5.5%, reflecting approximately 1.1 million unemployed workers.

As illustrated in Chart 1, the disparities among population groups continued, and most cases increased for certain areas of the state and individuals from certain demographics. For example, unemployment among Blacks in March 2020 was at a historic low of 5.2%, which was still above the state average of 4.1%. One year into COVID-19 and the disparity between the rate of Black unemployment and the statewide rate substantially increased (13.9% compared to 11.1%). A comparison of January 2022 unemployment shows the difference is even greater than in March 2021, with the Black unemployment rate being reported as 11.3% versus 6.9% for the workforce as a whole.

The disparities shown in these charts are driven by and also influence a range of economic and societal issues, including, but not limited to, minimal educational attainment, economic insecurity, poor health outcomes, negative engagements with law enforcement, and lack of a safety net for the elderly and individuals with special needs. COVID-19 magnified these effects, further putting strains on already struggling low-wage workers, particularly in the Black and Latinx communities.

The California Latino Economic Institute released a policy brief in December 2020, which provides further data on the disparate and growing negative impact of COVID-19 on Latinos in California. Among other findings, the briefing noted the following:

- Latinos are overrepresented among California's COVID-19 cases and deaths—59% of cases and 49% of the state's deaths.
- Latino overrepresentation in California's cases has increased since April 2020.
- Nearly 12% of California Latinos are currently uninsured—double the rate of other groups.
- Latino unemployment rates are double those from the same time last year.

- Nearly two-thirds of California Latinos report experiencing a loss of employment income since March 2020.
- Over 40% of Latinos currently report that it is somewhat or very difficult to pay their usual household expenses in the last seven days.
- Over three-quarters of California small business owners report that COVID-19 has had a moderate to large effect on their businesses.

There are a number of reasons that contribute to the disparate health impacts of COVID-19, including economic differences. During COVID, Latinos and Blacks have comprised a significant component of the state’s essential workforce. While a majority of White workers have jobs that allow them to work from home and decrease potential COVID-19 exposure, Latinos and Blacks, due to economic circumstances, have jobs in high-risk environments.

This increased exposure to COVID-19, combined with the socio-economic impacts on underlying health, resulted in a statistically higher number of cases and deaths compared to the group’s percent of the population. *Chart 2* provides information from the California Department of Public Health relating to COVID-19 cases in California by race and ethnicity. Data is current as of March 23, 2022.

Chart 2 - COVID-19 Case Loads and Outcomes by Race and Ethnicity				
Race/Ethnicity	Percent Cases	No. Deaths	Percent Deaths	Percent CA population
Latino	47.7%	37,679	43.9%	38.9%
White	24.3%	29,297	34.2%	36.6%
Asian	8.8%	9,383	10.9%	15.4%
African American	5.3%	5,928	6.9%	6.0%
Multi-Race	1.1%	1,265	1.5%	2.2%
American Indian or Alaska Native	0.5%	399	0.5%	0.5%
Native Hawaiian & other Pacific Islander	0.7%	537	0.6%	0.3%
Other	11.7%	1,263	1.5%	---
Total with data	100%	85,751	100%	100%

Source: California Department of Public Health, accessed March 27, 2022

The chart above, *All Cases and Deaths Associated with COVID-19 by Race and Ethnicity*, represents data from 6,867,970 total cases, with 20% of those cases missing race/ethnicity. There are a total of 87,629 deaths, with approximately 2% of those deaths missing race/ethnicity.

- 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 framework calls for operatizing a high road workforce development agenda that fosters demand-driven skills attainment and enabling upward mobility for all Californians. The prior state goal referred to a similar concepts for producing one million “middle-skill” industry valued and

recognized postsecondary credentials. In meeting the high road jobs framework, the State Plan anticipates creating 500,000 people enrolled in apprenticeship programs by 2029.

While these are certainly laudable goals 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 high road and middle-skill training. Current estimates are that 20.6% of the California workforce have a high school diploma or equivalent as their highest level of formal education. It is no surprise that in 2012 (*data from when WIOA plans were being formulated*), there were 1.9 million unfilled middle skill jobs. The Employment Development Department (EDD) estimated that this number would grow as one-third of middle-skill workers retire over the next ten years.

- 5) **Workforce Innovation Opportunity Act and California Workforce Board:** Enacted in 2014, the Workforce Innovation Opportunity Act (WIOA) 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 that includes specified economic and demographic data and flows to the state through three primary programs: Adult, Youth, and Dislocated Worker.

California's workforce development funding from the U.S. Department of Labor has declined 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 workforce development boards. Funding for the state's discretionary activities is derived from the 15% discretionary funds.

California received approximately \$400 million in WIOA Title I funds for 2021-22, with \$340 million being allocated to local workforce development boards to provide services for adults, laid-off workers, and youth, and \$60 million remaining at the state-level for program oversight and discretionary programs. In September 2020, the Employment Development Department and CWDB were awarded \$14.5 million from the US Department of Education from CARES Act funds.

California's WIOA dollars are overseen by the 45-member CWDB, of which 51% of the members represent the private sector, as required by federal law. The CWDB has 36.5 authorized positions and is currently led by Executive Director Tim Rainey. In 2008, a Green Collar Jobs Council was established to address the workforce development needs of the emerging clean and green economy.

There are 45 local workforce development boards that plan for and oversee the workforce system at the local and regional levels. Local workforce boards are comprised of a range of workforce stakeholders, a majority of which are required to be representatives of businesses. Each local workforce development board has one or more One-Stop Career Centers, called American Job Centers under WIOA, which provide access to career information, counseling, and funding for education, training, and supportive services.

- 6) **On-Going and COVID-19 Programs of the CWDB:** Among other duties, the CWDB provides advice to the Governor and Legislature, oversees the state's implementation of the WIOA, and generally serves as the state's primary place where labor, business, industry, and education stakeholders come together. The current Board works closely with Governor's Office of Business and Economic Development (GO-Biz) to address economic development challenges and to create career pathways that provide businesses the skilled workforce they need, as well as putting unemployed and

underemployed Californians back to work. During COVID-19, the Board, which is comprised of 45+ labor and business representatives, is active in a number of initiatives, including:

- ***On-Going Initiatives:***

- [AB 1111 \(E. Garcia, Arambula, Baker, Eggman, Cristina Garcia, Maienschein, Quirk-Silva, Reyes, Santiago, and Steinorth with Principal Co-Author Waldron\) Breaking Barriers to Employment Initiative](#)
- [High Road Construction Careers](#)
- [High Road Training Partnerships](#)
- [Regional Collaboration, Regional Plan Implementation](#) – includes the Regional Equity and Recovery Program
- [Workforce Accelerator Fund](#)
- [Workforce Corrections Partnership](#)

- ***Pending Initiative:***

- [AB 639 \(Cervantes\) Port Transition to a Lower Carbon Economy](#), which creates a stakeholder process for unions, port authorities, legislators, and the public [in the LA/Long Beach port complex – the busiest port in the western hemisphere] to develop findings on the effects of automation and to mitigate the impact on workers. The intent is to find a way to get labor and management to move together with workers on the issue of automation.
- Governor Newsom issued [Executive Order N-19-21](#), which ordered, among other things:
 - By December 31, 2021, the California Labor and Workforce Development Agency shall take all necessary actions to constitute and announce the membership of the industry panel required by AB 639 and codified at Government Code section 12893.1 (a). The Secretary of Labor shall convene the panel for its first meeting by March 1, 2022.
 - The California Labor and Workforce Development Agency shall use existing resources to identify potential high road training partnerships to increase education, career technical education, job training, and workforce development opportunities for port workers and other workers across the supply chain. In identifying such opportunities, the California Labor and Workforce Development Agency shall first consider whether such partnerships can be funded through existing sources, such as the federal Workforce Innovation and Opportunity Act.

7) **Proposed Amendments:** Below is a list of amendments the committee members may wish to review when considering the bill.

- a) Switch the program administration from the CWDB to EDD.
- b) Create a separate fund rather than an account within the Breaking Barriers to Employment Fund.
- c) Address the issue of residual value of the platform and for-profit companies receiving grants.
- a) Make other technical changes to clarify the purposes of the bill.

8) **Related Legislation:** Below is a list of bills from the current and prior sessions.

- a) **AB 630 (Arambula) Online Jobs and Economic Support Platform:** This bill establishes the Online Jobs and Economic Support Resource Grant Program to support inclusive, cross-jurisdictional, and innovative online platforms that support job and earning opportunities and economic recovery with a strong focus on underserved and economically challenged communities. *Status:* Held in Assembly Appropriations Committee, May 2021.
- b) **AB 1111 (Garcia, Arambula, Eggman, Maienschein, Quirk-Silva, Santiago, and Steinorth) Breaking Barriers to Employment Initiative:** This bill established the Breaking Barriers to Employment Initiative to assist individuals who have multiple barriers to employment to receive the remedial education and work readiness skills that will help them to successfully participate in training, apprenticeship, or employment opportunities that will lead to self-sufficiency and economic stability. *Status:* Signed by the Governor, Chapter 825, Statutes of 2017.
- c) **AB 1270 (E. Garcia and Hernández) Alignment of Federal and State Workforce Training Systems:** This bill comprehensively updates California's primary workforce development program to reflect the new requirements of the federal Workforce Innovation and Opportunity Act of 2014. While the bill conforms state law to the new federal law, it maintains core state policies related to the significance of regional economies and sector strategies, preparation of a workforce ready to support dominant and emerging industries, and the development of career pathways that provide workers with economic security and career advancement. *Status:* Signed by the Governor, Chapter 94, Statutes of 2015.
- d) **SB 118 (Lieu) Workforce Investment Board:** This bill requires the California Workforce Investment Board to incorporate specific principles into the state's strategic plan that align the education and workforce investment systems of the state with the needs of the 21st century economy and promote a well-educated and highly skilled workforce to meet the future workforce needs. *Status:* Signed by the Governor, Chapter 562, Statutes of 2013.
- e) **SB 1402 (Lieu) California Workforce and Economic Development Program:** This bill recasts and revises the California Community Colleges Economic and Workforce Development Program to more closely align with economic and workforce practices and extends the program's sunset date from January 1, 2013, to January 1, 2018. *Status:* Signed by the Governor, Chapter 361, Statutes of 2012.

REGISTERED SUPPORT / OPPOSITION:

Support

Bitwise Industries (sponsor)

Opposition

None on File

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