

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Oppose
SPONSOR: California Workforce Association

BILL NUMBER: AB 2349
AUTHOR: P. Fong
RELATED BILLS: AB 1559

BILL SUMMARY: Workforce Development: Youth at Work Programs

This bill would require the California Workforce Investment Board (Board) to collaborate with local Workforce Investment Boards (WIBs) to establish a Youth at Work Program to support the provision of summer job training and work experience opportunities for youth, as specified.

FISCAL SUMMARY

This bill specifies that the California Youth at Work Program may only be implemented if the Director of Finance determines that there are sufficient federal funds for the program or if state funds are made available for the program. The American Recovery and Reinvestment Act (ARRA) provides significant additional funding for workforce development and mandates a summer youth program that closely aligns with the requirements of this bill. However, the ARRA funding is temporary and will expire after the first quarter of fiscal year 2010-11. Existing Workforce Investment Act (WIA) funds could provide an on-going fund source for workforce training; however, these funds have been declining steadily since 2001.

Workforce planning and coordination activities associated with this bill are likely to result in minimal costs to the Board as this is part of their current responsibilities.

COMMENTS

A nearly identical bill, AB 1559 (Assembly Committee on Labor and Employment), was vetoed by the Governor imposing additional requirements on local WIBs could hamper rather than aid in the development of effective programs for youth and adults.

The Department of Finance opposes this bill because it is unnecessary and could impact the development of effective employment programs. The federal government provided funding specifically for creation of summer employment programs for youth through the ARRA. Summer youth employment programs have also become an increasing priority within the US Department of Labor, the Governor’s Office, and local workforce investment boards. In response to this, ARRA funds have already been provided to local workforce investment boards for summer youth employment programs and the CWIB has established the State Youth Vision Team to link public, private, for profit and nonprofit resources to connect youth most in need, ages 14 – 24, with youth serving agencies and high-growth employment opportunities.

Analyst/Principal (0240) K. Shelton	Date	Assistant Program Budget Manager Nona Martinez	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)

AUTHOR

AMENDMENT DATE

BILL NUMBER

P. Fong

Original

AB 2349

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2009-2010	FC	2010-2011	FC	2011-2012	
7120/Workforce In	SO	No		-----	See Fiscal Summary	-----			0890
<u>Fund Code</u>	<u>Title</u>								
0890	Trust Fund, Federal								