

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Oppose

BILL NUMBER: AB 1115
AUTHOR: R. Lara

BILL SUMMARY: Workforce Development: Training Sessions

This bill would require statewide standards be established for job training programs to be included on the statewide list of available training programs under the federal Workforce Investment Act (WIA), add reporting requirements, and place state-approved joint apprenticeship programs and community college career and technical education programs on the state-wide list automatically rather than through application.

FISCAL SUMMARY

The California Workforce Investment Board (CWIB) estimates costs of \$20,000 per year for the necessary meetings and travel expenses associated with establishing the procedures for determining eligibility. To the extent this bill requires further oversight of the local WIBs and statewide implementation, costs could increase to \$105,000 for one position.

COMMENTS

The Department of Finance is opposed to this bill as it is will result in costs that are not included in the Administration's current fiscal plan and appears to conflict with federal WIA requirements.

Current law establishes the CWIB as the entity responsible for the development, oversight, and continuous improvement of the workforce investment system. Under the current system, local workforce investment boards (WIBs) establish the standards and requirements for eligibility, approves applications from local training programs, and forwards approved applications to the CWIB for inclusion on the statewide list of eligible training providers. Standards and requirements are established at the local level to meet regional needs.

This bill would:

- Require the CWIB to establish procedures for determining eligibility of training programs, taking into consideration the recommendations of the local WIBs and input from the public, including business and labor organizations.
Specify the procedure to determine eligibility take into account specific economic, geographic and demographic factors in the local areas, characteristics of the population to be served, and difficulties in serving the population.
Require approved training programs to be placed on the local WIBs training provider list and the statewide eligible training provider list.
Place joint apprenticeship programs approved by the Division of Apprenticeship Standards and community college career and technical education programs on the statewide eligible training provider list.
Require training providers to meet specified reporting requirements.
Require training providers receiving WIA funding to meet annual performance measure.

(continued)

Analyst/Principal Date Assistant Program Budget Manager Date
(0200)

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

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

AUTHOR

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COMMENTS (continued)

The Department of Finance notes that it will be difficult to establish a statewide procedure for eligibility given the different regional factors that must be taken into account. These factors are the reason the local WIBs are currently establishing the standards and requirements for the local training programs. Additionally, this bill appears to conflict with the federal WIA requirements by automatically placing some programs on the statewide list. Federal WIA requires postsecondary educational institutions and entities carrying out apprenticeship programs to submit an application to the local WIB.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2010-2011	FC	2011-2012	FC	2012-2013	
7100/EDD	SO	No		----- See Fiscal Summary -----					0869
<u>Fund Code</u>	<u>Title</u>								
0869	Consolidated Work Program Fund								