

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: January 4, 2012
POSITION: Neutral

BILL NUMBER: SB 912
AUTHOR: T. Lieu

BILL SUMMARY: Employment Development: Training Expenditure Report

This bill would modify reporting requirements for Workforce Investment Act (WIA) funding to provide expenditure data for the prior two program years, rather than the prior year.

FISCAL SUMMARY

The Employment Development Department (EDD) indicates that any costs resulting from this bill would be minor and absorbable within existing resources.

COMMENTS

Finance is neutral on this bill because it aligns reporting with the two-year availability of federal WIA funding, allowing the reported data to be more complete and accurate.

Existing law requires the EDD to report annually to the Governor, Legislature, and the California Workforce Investment Board on the prior year's expenditure of federal WIA funding by local Workforce Investment Boards (WIBs) for employment training.

This bill would modify the reporting requirement so that the data reported aligns with the two-year availability of the WIA funds allocated to local WIBs. This bill would require the EDD to report, within six months of the expiration of the availability of funds, the training expenditures made by local WIBs in the prior two program years. Aligning the reporting with the expiration of the funds allows for a more complete and accurate picture of these training expenditures.

Additionally, this bill deletes language authorizing EDD to determine what qualifies as a training expenditure. This authority is no longer necessary as Chapter 498, Statutes of 2011 (SB 734, DeSaulnier) specifies qualifying expenses.

| Code/Department Agency or Revenue Type | SO | (Fiscal Impact by Fiscal Year) | | | | | | Fund Code |
|--|--------------------------------|--------------------------------|----|-----------|----------|---------------|-------|--------------|
| | | (Dollars in Thousands) | | | | | | |
| | LA | PROP | | | | | | |
| | RV | 98 | FC | 2011-2012 | FC | 2012-2013 | FC | 2013-2014 |
| 7100/EDD | SO | No | | ----- | No/Minor | Fiscal Impact | ----- | 0869 |
| <u>Fund Code</u> | <u>Title</u> | | | | | | | |
| 0869 | Consolidated Work Program Fund | | | | | | | |

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| Analyst/Principal (0241) J. Sturges | Date | Assistant Program Budget Manager | Date |
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| Department Deputy Director | Date |
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| Governor's Office: | By: | Date: | Position Approved _____ |
| | | | Position Disapproved _____ |

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