

ASSEMBLY BILL

No. 1136

Introduced by Assembly Member Ortega

February 20, 2025

An act to amend Section 14005 of the Unemployment Insurance Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1136, as introduced, Ortega. California Workforce Development Board: high road training partnerships.

Existing law establishes the California Workforce Development Board as the 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. Existing law requires the board to assist the Governor in promoting the development of a well-educated and highly skilled 21st century workforce, and the development of a high road economy that offers an educated and skilled workforce with fair compensation and treatment in the workplace. Existing law also requires the board to assist in developing standards, procedures, and criteria for defining, among other things, high road training partners, as specified. Existing law defines "high road training partnership" to mean an initiative or project that models strategies for developing industry-based, worker-focused training partnerships, including labor-management partnerships. Existing law further describes high road training partnerships as operating via regional, industry- or sector-based training partnerships comprised of employers, workers, and their representatives including organized labor,

community-based organizations, education, training, and social services providers, and labor market intermediaries, as specified.

This bill would expand the description of “high road training partnership” to include operating via a partnership across multiple industry sectors, as defined.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 14005 of the Unemployment Insurance
- 2 Code is amended to read:
- 3 14005. For purposes of this division:
- 4 (a) “Board” means the California Workforce Development
- 5 Board.
- 6 (b) “Agency” means the Labor and Workforce Development
- 7 Agency.
- 8 (c) “Career pathways,” “career ladders,” or “career lattices” are
- 9 an identified series of positions, work experiences, or educational
- 10 benchmarks or credentials with multiple access points that offer
- 11 occupational and financial advancement within a specified career
- 12 field or related fields over time. “Career pathways,” “career
- 13 ladders,” and “career lattices” offer combined programs of rigorous
- 14 and high-quality education, training, and other services that do all
- 15 of the following:
- 16 (1) Align with the skill needs of industries in the economy of
- 17 the state or regional economy involved.
- 18 (2) Prepare an individual to be successful in any of a full range
- 19 of secondary or postsecondary education options, including
- 20 apprenticeships registered under the National Apprenticeship Act
- 21 of 1937 (29 U.S.C. Sec. 50 et seq.), except as in Section 3226 of
- 22 Title 29 of the United States Code.
- 23 (3) Include counseling to support an individual in achieving the
- 24 individual’s education and career goals.
- 25 (4) Include, as appropriate, education offered concurrently with
- 26 and in the same context as workforce preparation activities and
- 27 training for a specific occupation or occupational cluster.
- 28 (5) Organize education, training, and other services to meet the
- 29 particular needs of an individual in a manner that accelerates the

1 educational and career advancement of the individual to the extent
2 practicable.

3 (6) Enable an individual to attain a secondary school diploma
4 or its recognized equivalent, and at least one recognized
5 postsecondary credential.

6 (7) Help an individual enter or advance within a specific
7 occupation or occupational cluster.

8 (d) “Cluster-based sector strategies” mean methods of focusing
9 workforce and economic development on those sectors that have
10 demonstrated a capacity for economic growth and job creation in
11 a particular geographic area.

12 (e) “Data driven” means a process of making decisions about
13 investments and policies based on systematic analysis of data,
14 which may include data pertaining to labor markets.

15 (f) “Economic security” means, with respect to a worker, earning
16 a wage sufficient to support a family adequately, and, over time,
17 to save for emergency expenses and adequate retirement income,
18 based on factors such as household size, the cost of living in the
19 worker’s community, and other factors that may vary by region.

20 (g) “Evidence-based” means making use of policy research as
21 a basis for determining best policy practices. Evidence-based
22 policymakers adopt policies that research has shown to produce
23 positive outcomes, in a variety of settings, for a variety of
24 populations over time. Successful, evidence-based programs deliver
25 quantifiable and sustainable results. Evidence-based practices
26 differ from approaches that are based on tradition, belief,
27 convention, or anecdotal evidence.

28 (h) “High-priority occupations” mean occupations that have a
29 significant presence in a targeted industry sector or industry cluster,
30 are in demand, or projected to be in demand, by employers, and
31 pay or lead to payment of a wage that provides economic security.

32 (i) (1) “In-demand industry sector or occupation” means either
33 of the following:

34 (A) An industry sector that has a substantial current or potential
35 impact, including through jobs that lead to economic
36 self-sufficiency and opportunities for advancement, on the state,
37 regional, or local economy, as appropriate, and that contributes to
38 the growth or stability of other supporting businesses, or the growth
39 of other industry sectors.

1 (B) An occupation that currently has or is projected to have a
2 number of positions, including positions that lead to economic
3 self-sufficiency and opportunities for advancement, in an industry
4 sector so as to have a significant impact on the state, regional, or
5 local economy, as appropriate.

6 (2) The determination of whether an industry sector or
7 occupation is “in-demand” under this subdivision shall be made
8 by the board or local board, or through the regional planning
9 process in which local boards participate under the Workforce
10 Innovation and Opportunity Act, as appropriate, using state and
11 regional business and labor market projections, including the use
12 of labor market information.

13 (j) “Individual with employment barriers” means an individual
14 with any characteristic that substantially limits an individual’s
15 ability to obtain employment, including indicators of poor work
16 history, lack of work experience, or access to employment in
17 nontraditional occupations, long-term unemployment, lack of
18 educational or occupational skills attainment, dislocation from
19 high-wage and high-benefit employment, low levels of literacy or
20 English proficiency, disability status, or welfare dependency,
21 including members of all of the following groups:

22 (1) Displaced homemakers.

23 (2) Low-income individuals.

24 (3) Indians, Alaska Natives, and Native Hawaiians, as those
25 terms are defined in Section 3221 of Title 29 of the United States
26 Code.

27 (4) Individuals with disabilities, including youths who are
28 individuals with disabilities.

29 (5) Older individuals.

30 (6) Ex-offenders.

31 (7) Homeless individuals, as defined in Section 14043e-2(6) of
32 Title 42 of the United States Code, or homeless children and
33 youths, as defined in Section 11434a(2) of Title 42 of the United
34 States Code.

35 (8) Youth who are in, or have aged out of, the foster care system.

36 (9) Individuals who are English language learners, individuals
37 who have low levels of literacy, and individuals facing substantial
38 cultural barriers.

39 (10) Eligible migrant and seasonal farmworkers, as defined in
40 Section 3322(i) of Title 29 of the United States Code.

1 (11) Individuals within two years of exhausting lifetime
2 eligibility under Part A of Title IV of the Social Security Act (42
3 U.S.C. Sec. 601 et seq.).

4 (12) Single parents, including single, pregnant women.

5 (13) Long-term unemployed individuals.

6 (14) Transgender and gender nonconforming individuals.

7 (15) Any other groups as the Governor determines to have
8 barriers to employment.

9 (k) “Industry cluster” means a geographic concentration or
10 emerging concentration of interdependent industries with direct
11 service, supplier, and research relationships, or independent
12 industries that share common resources in a given regional
13 economy or labor market. An industry cluster is a group of
14 employers closely linked by common product or services,
15 workforce needs, similar technologies, and supply chains in a given
16 regional economy or labor market.

17 (l) “Industry or sector partnership” means a workforce
18 collaborative, convened or acting in partnership with the board or
19 a local board, that does the following:

20 (1) Organizes key stakeholders in an industry cluster into a
21 working group that focuses on the shared goals and human
22 resources needs of the industry cluster and that includes, at the
23 appropriate stages of development of the partnership:

24 (A) Representatives of multiple businesses or other employers
25 in the industry cluster, including small and medium-sized
26 employers when practicable.

27 (B) One or more representatives of a recognized state labor
28 organization or central labor council, or another labor
29 representative, as appropriate.

30 (C) One or more representatives of an institution of higher
31 education with, or another provider of, education or training
32 programs that support the industry cluster.

33 (2) The workforce collaborative may include representatives of
34 any of the following:

35 (A) State or local government.

36 (B) State or local economic development agencies.

37 (C) State boards or local boards, as appropriate.

38 (D) A state workforce agency or entity providing employment
39 services.

40 (E) Other state or local agencies.

1 (F) Business or trade associations.

2 (G) Economic development organizations.

3 (H) Nonprofit organizations, community-based organizations,
4 or intermediaries.

5 (I) Philanthropic associations.

6 (J) Industry associations.

7 (K) Other organizations, as determined to be necessary by the
8 members comprising the industry sector or partnership.

9 (m) “Industry sector” means those firms that produce similar
10 products or provide similar services using somewhat similar
11 business processes, and are closely linked by workforce needs,
12 within a regional labor market.

13 (n) “Local labor federation” means a central labor council that
14 is an organization of local unions affiliated with the California
15 Labor Federation or a local building and construction trades council
16 affiliated with the State Building and Construction Trades Council
17 of California.

18 (o) “Sector strategies” means methods of prioritizing
19 investments in competitive and emerging industry sectors and
20 industry clusters on the basis of labor market and other economic
21 data indicating strategic growth potential, especially with regard
22 to jobs and income, and exhibit the following characteristics:

23 (1) Focus workforce investment in education and workforce
24 training programs that are likely to lead to jobs providing economic
25 security or to an entry-level job with a well-articulated career
26 pathway into a job providing economic security.

27 (2) Effectively boost labor productivity or reduce business
28 barriers to growth and expansion stemming from workforce supply
29 problems, including skills gaps and occupational shortages by
30 directing resources and making investments to plug skills gaps
31 and provide education and training programs for high-priority
32 occupations.

33 (3) May be implemented using articulated career pathways or
34 lattices and a system of stackable credentials.

35 (4) May target underserved communities, disconnected youths,
36 incumbent workers, and recently separated military veterans.

37 (5) Frequently are implemented using industry or sector
38 partnerships.

39 (6) Typically are implemented at the regional level where sector
40 firms, those employers described in subdivisions (j) and (l), often

1 share a common labor market and supply chains. However, sector
2 strategies may also be implemented at the state or local level
3 depending on sector needs and labor market conditions.

4 (p) “Workforce Innovation and Opportunity Act of 2014” means
5 the federal act enacted as Public Law 113-128.

6 (q) (1) “Earn and learn” includes, but is not limited to, a
7 program that does either of the following:

8 (A) Combines applied learning in a workplace setting with
9 compensation allowing workers or students to gain work experience
10 and secure a wage as they develop skills and competencies directly
11 relevant to the occupation or career for which they are preparing.

12 (B) Brings together classroom instruction with on-the-job
13 training to combine both formal instruction and actual paid work
14 experience.

15 (2) “Earn and learn” programs include, but are not limited to,
16 all of the following:

17 (A) Apprenticeships.

18 (B) Preapprenticeships.

19 (C) Incumbent worker training.

20 (D) Transitional jobs, as described in paragraph (5) of subsection
21 (d) of Section 3174 of Title 29 of the United States Code, as that
22 section read on January 1, 2021, and subsidized employment with
23 an employer of record, which may include, but not be limited to,
24 an employment social enterprise or a worker cooperative,
25 particularly for individuals with barriers to employment.

26 (E) Paid internships and externships.

27 (F) Project-based compensated learning.

28 (r) “High road” means a set of economic and workforce
29 development strategies to achieve economic growth, economic
30 equity, shared prosperity and a clean environment. The strategies
31 include, but are not limited to, interventions that:

32 (1) Improve job quality and job access, including for women
33 and people from underserved and underrepresented populations.

34 (2) Meet the skill and profitability needs of employers.

35 (3) Meet the economic, social, and environmental needs of the
36 community.

37 (s) “High road training partnership” means an initiative or
38 project that models strategies for developing industry-based,
39 worker-focused training partnerships, including labor-management
40 partnerships. ~~High-Road-Training~~ *road training* partnerships

1 operate via regional, industry- or sector-based training partnerships,
2 *or partnerships across multiple industry sectors*, comprised of
3 employers, workers, and their representatives including organized
4 labor, community-based organizations, education, training, and
5 social services providers, and labor market intermediaries. High
6 ~~Road Training~~ *road training* partnerships demonstrate job quality
7 standards and employment practices that include, but are not
8 limited to, the following:

9 (1) Provision of comparatively good wages and benefits, relative
10 to the industry, occupation, and labor market in which participating
11 workers are employed.

12 (2) Payment of workers at or above local or regional living wage
13 standards as well as payment at or above regional prevailing wage
14 standards where such standards exist for the occupations in
15 question.

16 (3) A history of investment in employee training, growth, and
17 development.

18 (4) Provision of opportunities for career advancement and wage
19 growth.

20 (5) Safe and healthy working conditions.

21 (6) Consistent compliance with workplace laws and regulations,
22 including proactive efforts to remedy past problems.

23 (7) Adoption of mechanisms to include worker voice and agency
24 in the workplace.

25 (t) “High road construction careers” are high road training
26 partnerships that invest in regional training partnerships comprised
27 of local building trades councils, workforce, community, and
28 education interests that connect to state-approved apprenticeship
29 programs, that utilize the standard Multi-Craft Core
30 preapprenticeship training curriculum and provide a range of
31 supportive services and career placement assistance to women and
32 people from underserved and underrepresented populations.

33 (u) “Career advancement” means demonstrated progression
34 along a career ladder as evidenced by both wage growth and
35 occupational advancement.

36 (v) “Employment social enterprise” means a nonprofit or
37 for-profit organization that meets all of the following requirements:

38 (1) Is organized as a social purpose corporation or a benefit
39 corporation, or as an organization incorporated within a larger
40 organization.

1 (2) Demonstrates evidence of a mission to provide and to access
2 employment and social supports with on-the-job and life skills
3 training to a direct labor force comprised of individuals with a
4 “barrier to employment,” as that phrase is defined in Section 3102
5 of Title 29 of the United States Code, as that section read on
6 January 1, 2021.

7 (3) Is evidence-based and utilizes data-driven policies in
8 implementing procedures and measuring outcomes.

9 (4) Produces or assembles goods or provides services, or a
10 combination of both.

11 (w) “Worker cooperative” has the same meaning as defined in
12 Section 12253.5 of the Corporations Code.

O