

## Unified Strategic Workforce Development Plan

# Strategic Planning Elements 2024-2027

IN FULFILLMENT OF THE REQUIREMENTS OF THE WORKFORCE INNOVATION AND OPPORTUNITY ACT PUBLIC LAW 113-128

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#### Workforce Development, Education, and Training Activities Analysis

Below is an overview of key workforce and education activities, the client populations served by the activities, and an assessment of the strengths and opportunities of the programs and departments that participate in the administration, oversight, and policy development of the activities.

#### **California Workforce Development Board**

The California Workforce Development Board (CWDB) is responsible for the development, oversight, and continuous improvement of California's workforce investment system. The members of the CWDB, which consist primarily of representatives from businesses, labor organizations, educational institutions, and community organizations, assist the Governor in designing a statewide plan and establishing appropriate program policy. The CWDB reports to the Governor through the Chair of the CWDB, Secretary for the Labor and Workforce Development Agency, and Executive Director who provide oversight of the CWDB members and staff to ensure that policy recommendations are consistent with the Governor's vision for the state.

Clients/Service Population: The CWDB does not directly deliver services to a client population. The CWDB's primary responsibility is to set policy for the Workforce Innovation and Opportunity Act (WIOA) Title I programs and to work with WIOA core program and other state plan partners to align programs and services to build a comprehensive system.

Strengths: Over the last several years CWDB has improved policy coordination and program alignment with WIOA core programs and other state plan partners at the state and local level.

*Opportunities:* The CWDB can increase its internal capacity for engaging with state agencies in the climate resilience arena in order to ensure a just transition for workers in climate impacted industries.

#### **Local Workforce Development Boards**

The state workforce development system is comprised of 45 Local Workforce Development Areas (Local Area), each with its own business-led Local Workforce Development Board (Local Board). Local Boards focus on strategy and, in partnership with the Governor and chief local elected officials, facilitate public-private partnerships that support sector strategies and career pathways. They work to advance opportunities for all workers, create access to available skilled labor for business, foster innovation, and ensure streamlined operations and service delivery excellence.

Critical to their charge is their oversight of the local America's Job Centers of California (AJCC), which are the hub of the statewide service delivery vehicle for workforce, education, and business services. Workforce funds allocated to Local Boards support the job training, placement, and business services delivered though the AJCCs. These AJCCs, through partnerships with other local, state, and federal agencies; education; and economic

development organizations, provide services vital to the social and economic well-being of their communities.

Clients/Service Population: Local Boards provide services annually to millions of adult, dislocated worker, youth, and universal access clients through the AJCCs and California Job Openings Browse System (CalJOBS<sup>SM</sup>) labor exchange system. Local Boards assist an estimated 65,000 businesses annually in the hiring and retention of skilled workers.

*Strengths:* Local Boards have experience braiding resources and integrating service delivery through the AJCC system. Local Boards also have connections to their local communities, and have experience with administering state and local led regional initiatives, including sector and career pathway strategies.

Opportunities: Local Boards can increase client access to training and education programs that align with regional labor market dynamics, including apprenticeship programs and career pathway programs that grant "stackable" credentials.

#### **Employment Development Department**

The Employment Development Department (EDD) administers Title I and Title III (Wagner-Peyser) of the Workforce Innovation and Opportunity Act (WIOA), Labor Market Information, Disability Insurance (DI), Paid Family Leave (PFL), Unemployment Insurance (UI), Trade Adjustment Assistance (TAA) program, and the Jobs for Veterans State Grant (JVSG), and Reemployment Servies and Eligibility Assessment Grant (RESEA), among other workforce-related programs. The EDD serves as California's major tax collection agency, administering the audit and collection of payroll taxes and maintaining the employment records for more than 18.5 million California workers. One of the largest departments in state government, handling over \$113.2 billion annually in personal income tax and other funds. The EDD has more than 7,800 employees, with 960 employees providing workforce services at numerous America's Job Center of California (AJCC) locations throughout the state.

Clients/Service Population: The EDD processes millions of initial unemployment insurance claims per year, more than one million DI and PFL claims, and provides employment services to nearly 500,000 people through Wagner-Peyser programs. The EDD administers programs that are targeted toward youth, people with disabilities, veterans, and workers who lose their jobs due to the impact of foreign trade, including increased imports, or a shift in production to outside the United States.

Strengths: CalJOBS is EDD's online labor exchange system that is accessible to both employers and job seekers throughout the state. CalJOBS contains more than half a million job openings and is accessed by more than a million job seekers every year.

Opportunities: The EDD is continuing its ongoing efforts to further integrate Wagner-Peyser services into the AJCC system by bolstering its critical role as the entry point into the workforce development system. These efforts entail continuously improving its hybrid approach by

ensuring in-person services for those who need it (e.g., customers with digital literacy barriers) and virtual services to broaden access points (e.g., rural residence).

Moreover, the EDD has begun the process of redesigning (RESEA) program to improve outcomes for customers that are likely to exhaust their UI benefits. In large part, the goal of the redesign is to optimize the RESEA program as a resource to ensure UI claimants, that face barriers to economic mobility, gain access to the services available through the AJCC network of programs and services. This entails access to regionally based partner programs, such as, post-secondary programs, CBO programs, and others.

#### **Employment Training Panel**

The Employment Training Panel (ETP) is a statewide business-labor incumbent worker training and economic development program. ETP supports economic development in California through strategic partnerships with business, labor, and government, and through the provision of financial assistance to California businesses to support customized worker training programs that attract and retain skilled workers and businesses; provide workers with secure jobs that pay good wages and have opportunities for advancement; assist employers to successfully compete in the global economy; and promote the benefits and ongoing investment in employee training among employers.

Clients/Service Population: ETP serves over 400 employers a year and 60,000 incumbent workers who receive training. To date, ETP has provided approximately \$1.6 billion for the successful training and employment retention of over 1.2 million workers employed by over 84,000 California businesses.

Strengths: The "pay-for-performance" nature of ETP contracts helps facilitate close to an 80 percent retention rate for trained employees, resulting in both layoff aversion and business expansion. ETP's contracts follow a pay-for-performance model, where employers earn funds as they complete employee training and retention benchmarks. ETP's program is strong in employer engagement, with businesses developing their own customized training programs, and with ETP's extensive outreach to, and participation of, their stakeholder employers. ETP also has strong relationships with the California Community Colleges (CCC), trade associations, and labor unions across the state. ETP is also currently developing a new computer system for both staff and customer use which will modernize their program.

*Opportunities:* ETP recognizes the need to focus more strategically on career pathways and industry sector engagement. ETP also has the goals of increasing their strategic partnerships with other state agencies including the CWDB, and with streamlining and modernizing their program requirements.

#### **California Community Colleges**

California Community Colleges' Chancellor's Office (CCCCO) is the state agency for providing administration and direction for the CCC postsecondary Career Technical Education (CTE)

programs, including the apprenticeship and the adult education programs. The Workforce and Economic Development Division (WEDD), within the CCCCO, is responsible for administration and program oversight of postsecondary CTE programs, including the apprenticeship, the adult education programs, and the Strengthening Career and Technical Education for the 21st Century Act (referred to as Perkins V). The Division's portfolio consists of the Strong Workforce Program, California Adult Education Program, California Apprenticeship Initiative, Nursing, and the Economic Workforce Development Program.

Clients/Service Population: California's 115 community colleges offer 350 different fields of study, 8000 certificate programs, and 4,500 associate degree programs. More than a quarter of the state's 2.1 million community college students enroll in a community college CTE course.

Strengths: Community colleges offer low-cost education programs that are accessible to the public, including populations with barriers to employment. Many community colleges have strong partnerships with Local Boards and locally administered CalWORKs programs. The CCCCO investments are guided by the Vision for Success, a bold strategic plan with clear priorities and goals. The CCCCO also has a regional model that is designed to address the diverse communities and their workforce needs across the state. The regional model and employer engagement focus allows the CCC to better align programs and curricula with regional labor markets, build stronger regional partnerships, and provide more robust supportive services. Community colleges also have a variety of programs designed to serve populations with barriers to employment including Disabled Student Programs and Services, CalWORKs, Extended Opportunity Programs and Services, Cooperative Agencies Resources for Education Program, Foster and Kinship Care, and Foster Youth Success Initiatives.

Opportunities: The CCCCO's set of broad reforms underway has created an environment where campuses are carefully examining the student journey and changing how supports and services are designed and offered to increase retention, completion, transfer, and achieving employment goals. Strengthening employer engagement activities and conversations on competency-based education and credentials attainment, as well as the intention to better align career pathways between K12 and CCC will further improve student outcomes and sustainability of CTE programs.

#### California State Board of Education and Department of Education

The State Board of Education (SBE) is the K-12 policy-making body for academic standards, curriculum, instructional materials, assessments, and accountability. The SBE adopts instructional materials for use in grades kindergarten through eight. The SBE also adopts regulations to implement a wide variety of programs created by the Legislature, such as charter schools, and special education. In addition, the SBE has the authority to grant local education agency requests for waivers of certain provisions of the state Education Code, and acts on petitions to unify or reorganize school district boundaries. Finally, the SBE is officially the designated "State Education Agency" that is charged with providing policy guidance to the state and local education agencies regarding federal education policies and programs such as the

Elementary and Secondary Education Act, Perkins V, WIOA, and the Individuals with Disabilities Education Act.

The California Department of Education (CDE) oversees the state's diverse public school system, which is responsible for the education of nearly seven million children, young adults, and adults in more than 10,000 schools with over 300,000 teachers. CDE is charged with enforcement of education law and regulations and continuing to reform and improve public school programs.

Clients/Service Population: Transition services are provided to 137,000 Students with Disabilities statewide, including 94,000 served by WorkAbility 1 programs; 18,314 at-risk students are served through county run juvenile justice facilities and county community schools; over three-quarters of a million students are served under adult education including basic skills, English Language Acquisition, CTE, Adults with Disabilities, and family literacy programs. CDE also oversees CTE programs serving 970,000 secondary students and 59,000 adult CTE students.

Strengths: In both adult education and CTE, there is a focus on regional collaboration including K–12 programs, adult education, community college non-credit and credit programs, and partnerships with higher education to develop and integrate standards-based academics with career relevant, industry-themed pathways and work-based learning opportunities that are aligned to high-need, high-growth, or emerging regional economic sectors. The CDE has also developed a strong community of practice related to secondary transitions and has integrated work-based learning approaches for students with disabilities; ensured WIOA Title II grantees have the flexibility to match curriculum with the goals and objectives of other WIOA funded programs; and implemented an evaluation process for the Coordinated Student Support programs.

Opportunities: Access to supportive services for students such as counseling, childcare, and transportation services could be addressed by better coordination at the state, local, and regional level between programs overseen by CDE, human service programs, and other workforce and education programs. CDE also lacks common student identifiers across educational segments, which creates obstacles to data matching and tracking individuals into the labor market.

#### **Governor's Office of Business and Economic Development**

The Governor's Office of Business and Economic Development (GO-Biz) serves as the State of California's leader for job growth and economic development efforts. GO-Biz offers a range of services to business owners, including attraction, retention, and expansion services, site selection, permit streamlining, clearing of regulatory hurdles, small business assistance, international trade development, assistance with state government, and much more.

Clients/Service Population: GO-Biz works directly with businesses to help organizations understand opportunities to start, maintain, and grow operations in California. This assistance

includes but is not limited to site selection, permit assistance, international trade development, connectivity to strategic partnerships, information on incentive programs, and referrals to local and state business assistance resources. In addition to direct business assistance, GO-Biz also administers and supports programs led by regional business assistance and economic development organizations.

Strengths: Through its direct interactions with California businesses of all sizes and industry sectors, GO-Biz helps businesses communicate their workforce development needs to the ETP, Local Boards, educational institutions, and training providers. In conjunction with its local, regional, and state partners, GO-Biz connects businesses with workforce needs to applicable resources. In collaboration with the network of workforce programs and institutions, GO-Biz assists in elevating the demands for the needed talent pipeline for our current and future employers and in identifying the emerging needs of future industries. GO-Biz's business engagement allows early recognition of the emerging workforce needs for the future and advances those needs to the California Labor and Workforce Development Agency, local partner organizations, and educational systems to develop the necessary skills to create the workforce of the future.

*Opportunities:* GO-Biz has the opportunity to increase its reach to a wider audience of business, education, and training partners, and to coordinate business assistance activities with state, regional, and local partners.

#### **Department of Rehabilitation**

The Department of Rehabilitation (DOR) works in partnership with consumers and other stakeholders to provide services and advocacy resulting in employment, independent living, and equality for individuals with disabilities in California. The DOR administers the largest vocational rehabilitation (VR) program in the country and delivers VR services to persons with disabilities in offices throughout the state so that persons with disabilities may prepare for and engage in competitive integrated employment and achieve economic self-sufficiency. In addition, DOR has cooperative agreements with state and local agencies (secondary and postsecondary education, mental health, and welfare) to provide services to consumers. The DOR operates under a federal Order of Selection (OOS) process, which gives priority to persons with the most significant disabilities.

Persons with disabilities who are eligible for DOR's VR services may be provided a full range of services, including vocational assessment, assistive technology, vocational and educational training, job placement, supported employment, and independent living skills training to maximize their ability to live and work independently within their communities. The DOR provides career counseling and information and referral services to encourage individuals working in non-competitive, non-integrated settings to work toward and achieve competitive integrated employment.

Client/Service Population: In federal fiscal year 2019, DOR provided a range of VR services to approximately 111,000 individuals with disabilities, of which approximately 29,600 were students with disabilities. The disability types of those individuals determined eligible for VR services include 4,900 who were blind or visually impaired; 6,500 with cognitive disabilities; 15,100 with learning disabilities; 13,600 with intellectual or developmental disabilities; 5,600 deaf or hard of hearing individuals; 16,100 with physical disabilities; 25,700 with psychiatric disabilities; 1,100 with traumatic brain injury; and 1,900 individuals with other disabilities.

Strengths: DOR employs qualified VR professionals and paraprofessionals who work with individuals with disabilities to find a career track with upward mobility offering sustainable living wages. The VR professionals are trained in assessment, career planning, job placement, and assistive technology services to meet the employment needs of eligible individuals with disabilities. DOR utilizes a consumer-centered approach to service delivery by employing VR professionals and VR paraprofessionals to deliver effective and timely consumer services throughout the state, including students with disabilities. DOR also maintains a network of partnerships with community-based disability organizations and other public agencies, including high schools, community colleges, universities, and county mental health agencies to provide a greater range of employment services and opportunities to DOR consumers than would otherwise be available through any single agency.

*Opportunities:* Under federal law, VR programs must redirect 15 percent of funds from traditional VR services to pre-employment transition services for students with disabilities. There is an active risk that DOR will not have sufficient funds and human resources to provide VR services to all individuals with significant disabilities who apply for services. The DOR has been operating under an OOS process since September 1995. Insufficient funding may mean further limiting the OOS and access to VR services.

#### **CalWORKs**

The California Work Opportunity and Responsibility to Kids (CalWORKs) program is California's version of the federal Temporary Assistance to Needy Families (TANF) program. The program provides 60 months of cash grants and welfare-to-work (WTW) services to low-income families with children. Supportive services, including childcare, transportation, and personal counseling are available for families participating in WTW activities. Children remain eligible for assistance up to age 18.

The CalWORKs program is a welfare program administered by 58 county welfare departments under the supervision of the California Department of Social Services (CDSS). Although eligibility requirements and grant levels are uniform throughout the state, counties are given considerable latitude to design WTW programs that will work best for their diverse populations, size, and culture.

Clients/Service Population: CalWORKs is a public assistance program that provides cash aid and services to eligible families that have a child(ren) in the home. The program serves all 58 counties in the state and is operated locally by county welfare departments. If a family has little or no cash and needs housing, food, utilities, clothing, or medical care, they may be eligible to receive immediate short-term help. Families that apply and qualify for ongoing assistance receive money each month to help pay for housing, food, and other necessary expenses.

Generally, services are available to:

- Families that have a child(ren) in the home who has been deprived of parental support or care because of the absence, disability, or death of either parent.
- Families with a child(ren) when both parents are in the home, but the principal earner is unemployed.
- Needy caretaker relatives of a foster child(ren).

Strengths: CalWORKs has a robust subsidized employment program and has substantial flexibility in the types of services it can provide. CalWORKs has an existing relationship with community colleges to provide support for CalWORKs recipients enrolled in academic and career pathway programs. While maintaining the work-first policies of TANF, recent changes in CalWORKs have increased the emphasis toward a work-focused, skills attainment, and barrier removal agenda to ensure that TANF recipients are positioned to achieve long-term successful outcomes and upward mobility.

Opportunities: CalWORKs serves a higher percentage of needy families than the rest of the nation. CalWORKs is designed primarily to combat child poverty by continuing to aid children even when the adults cannot (e.g., due to time limits or exemptions) or refuse to participate in the welfare-to-work program. CalWORKs serves many exempt adults with significant barriers to employment.

#### CalFresh Employment & Training (E&T)

CalFresh Employment & Training (E&T) operates through a central vision to increase the employment and earning capacity of CalFresh recipients. The mission to provide more CalFresh recipients with access to CalFresh E&T supportive services and skills and credentialing can be tracked through five strategic goals: increase job placement, retention, and wages; increase CalFresh E&T participation across a dynamic mix of people, communities, and cultures; increase employability by removing barriers to employment; increase skills attainment and credentialing; and lead an efficient and effective customer focused E&T program.

CalFresh E&T is state supervised and administered voluntarily by County Welfare Departments (CWDs). Participation in CalFresh E&T is voluntary and does not impact CalFresh household benefits.

Activities include case management, supervised job search, education, work experience (both subsidized and unsubsidized), and job retention. Supportive services are provided to

participants when necessary and directly related to participation in the program. The program is supported by limited federal funds; however, providers are eligible to receive a fifty percent reimbursement on any non-federal funds used for program administration or provision of supportive services. Uniquely, tribal governments and organizations using non-federal funds are eligible for a 75 percent reimbursement of those funds. To be eligible to participate in CalFresh E&T, an individual must be at least 16 years of age (note: a person aged 16 or 17 who is not the head of household, or who is attending school, or enrolled in an employment and training program on at least a half-time basis cannot participate); in receipt of federally funded CalFresh food assistance benefits; and not subject to any work requirement under Title IV of the Social Security Act (including CalWORKs).

#### Client/Service Population:

CalFresh E&T enrollment and participation is voluntary for eligible CalFresh recipients. CalFresh recipients are not required to enroll in the CalFresh E&T program to keep their CalFresh benefits, and participants cannot have their CalFresh benefits sanctioned for failure to participate. Additionally, the program is voluntarily administered by CWDs who design local programs to meet the needs of local populations. CalFresh E&T program eligibility is determined by the CWD at the time of CalFresh Certification. Generally, a participant is eligible for CalFresh E&T if they meet these requirements:

- 1) At least 16 years of age.
- 2) In receipt of federally funded CalFresh food assistance benefits.
- 3) Not subject to any work requirement under Title IV of the Social Security Act, such as through the Temporary Assistance for Needy Families (TANF) program, known in California as the California Work Opportunity Responsibility to Kids (CalWORKs) program.

CWDs have the autonomy to design programs around CalFresh E&T components and activities, population characteristics, in-demand occupations, service providers, and available funding sources. Services may be provided directly by the CWD or through partner entities with which they have an agreement. Populations typically provided services include Able Bodied Adults Without Dependents (ABAWDS), some of which may be subject to work requirements and must engage in a work activity to maintain benefits, students, timed-out CalWORKs, English language learners, individuals experiencing homeless, justice involved, and formerly incarcerated.

Strengths: Program administrators have flexibility in the design of their respective CalFresh E&T program. Definitions and descriptions of program activities and services often align with WIOA language to facilitate program coordination. Non-federal funds spent on program administration or supportive services are eligible for a 50 percent reimbursement that can be reinvested into programs for further reimbursement.

*Opportunities:* Local WIOA programs can offer CDSS programs access to workforce development best practices, service provider networks, and partnership and service delivery models. Programs can differ widely between counties which can cause a lack of consistency in service quality and program reach. Through localized efforts and partner program integration,

resources such as funding, infrastructure, and supportive services can be maximized and raise the standard of workforce development resources consistently across local areas.

#### Department of Industrial Relations – Division of Apprenticeship Standards

The Department of Industrial Relations (DIR) - Division of Apprenticeship Standards (DAS) administers California apprenticeship law and enforces apprenticeship standards for wages, hours, working conditions, and the specific skills required for state certification as a journeyperson in an apprenticeable occupation. DIR-DAS promotes apprenticeship training through creation of partnerships, consults with program sponsors, and monitors programs to ensure high standards for on-the-job training and supplemental classroom instruction. In addition, DAS administers a variety of apprenticeship funding sources across multiple initiatives including the CA Apprenticeship Council Training Funds, the Apprenticeship Innovation Funding, the Equal Representation in Construction Funding, and the CA Opportunity Youth Grant Program. Through these collective efforts, the retiring skilled workforce is replenished with new skilled workers to keep California's economic engine running strong.

Clients/Service Population: DIR-DAS serves industry, educational institutions, labor, non-profits, community-based organizations (CBOs), government, apprentices, and journey level workers. California continues to lead the nation in apprenticeships, with 93,955 apprentices registered in 1,168 DAS-approved programs represented by 473 sponsors.

Strengths: The apprenticeship model has a proven track record of placing workers in highwage, middle-skills career pathways. The apprenticeship system of training is efficient and cost-effective and results in higher retention rates, lower turnover, and reduced costs for recruitment of new employees. The curriculum and on-the-job training are guided by industry and meet industry needs. Apprenticeship connects employers with public education facilities for related classroom instruction. Furthermore, nearly 70 percent of apprentices are people of color.

Opportunities: Of the 93,955 active apprentices in CA right now, 77 percent are in the building and fire trades, while 23 percent are in all other sectors including healthcare, transportation, education, tech, public sector and advanced manufacturing. Women continue to be underrepresented in many apprenticeship programs, comprising only 3.9 percent of building trades apprenticeship and 32 percent of apprentices in all other sectors. DAS recently awarded an Equal Representation in Construction Apprenticeships (ERiCA) grant. The focus of this grant is to create career pathways for women, non-binary, and underserved populations into careers in the building and construction sectors. The funds from this grant will go toward supportive resources for childcare and outreach and community building for women, non-binary, and underserved populations. In addition, the Division of Apprenticeship Standards is investing into the expansion of apprenticeship across many sectors through the Apprenticeship Innovation Funding which offers formula funding to program sponsors at \$3,500 per apprentice per year plus a \$1000 completion bonus. In addition, DAS is in the process of developing a solicitation for Opportunity Youth in apprenticeship and will be investing upwards of \$35M into expanding youth apprenticeship.

#### **Department of Child Support Services**

Department of Child Support Services (DCSS) oversees a network of local child support agencies (LCSA) that provide services to the general public at the county level. The LCSAs work with parents receiving support and parents paying support, and legally acknowledged guardians to ensure children and families receive court-ordered financial and medical support. The DCSS mission is to promote parental responsibility to enhance the well-being of children by providing child support services to establish parentage and collect child support, with the vision that all parents are engaged in supporting their children.

#### Clients/Service Population:

Local Workforce Development Boards (Local Boards) and LCSAs can work together to provide supportive services to parent paying support (PPS) to support job retention by braiding resources and utilizing cross-sector services and funding. This partnership helps to ensure that a comprehensive provision of services is provided to PPS to facilitate successful labor market outcomes and progression into livable wage jobs and careers. By using a more holistic approach, this partnership will help to address the barriers to employment for PPS, which in turn, positively affects the whole parent receiving support (PRS) family. This partnership provides the framework to assist unemployed and underemployed PPS gain and retain employment in order to provide children and families with court-ordered financial and medical support. Queries were developed to identify the participants who match these criteria and provided to each county. The queries can be found on the LCSA secure website.

#### Strengths:

DCSS created Workforce Development Queries (Q-1490 and Q-1506) that are available on the LCSA secure website. These queries can be utilized by LCSAs to locate participants that will benefit from this partnership.

- Q-1490: Contains information regarding unemployed and underemployed PPS.
- Q-1506: Contains an active PPS count, this query was requested to capture data for California's Unified Strategic Workforce Development Plan.

Opportunities: Limited access to data within CalJOBS (e.g., case notes, activity codes, etc.) for clients referred to America's Job Center of California (AJCC), for designated staff at each LCSA. This access will allow staff to assist individuals with child support obligations to obtain permanent employment. Two important steps toward this objective are making PPS aware of employment services and assist with eliminating barriers to employment.

#### Senior Community Service Employment Program (SCSEP)

The California Department of Aging (CDA) administers programs that serve older adults, adults with disabilities, family caregivers, and residents in long-term care facilities throughout the State. CDA contracts with the network of 33 Area Agencies on Aging, who directly manage a

wide array of federal and state-funded services. The SCSEP provides eligible individuals parttime, subsidized job training through community service assignments at non-profit organizations or governmental entities. SCSEP aims to foster individual economic selfsufficiency and increase the number of persons who may benefit from unsubsidized employment in both public and private sectors, as well as strengthen self-sufficiency and provide support to organizations that benefit from increased civic engagement.

Client/Service Populations: Program-eligible older workers must be residents of California, 55 years of age or older, unemployed, and have total annual family income that does not exceed 125 percent of the federal poverty guidelines, currently \$16,100 for an individual. Service priority is given to individuals meeting one or more of the following criteria:

- Is a veteran or a spouse of a veteran.
- Is 65 years of age or older.
- Has a disability.
- Has limited English proficiency.
- Has low literacy skills.
- Resides in a rural area.
- Has low employment prospects.
- Has failed to find employment after utilizing services under WIOA Title I.
- Is homeless or at risk for homelessness.

Strengths: California is the most populous state in the country and has the highest number of SCSEP-eligible older individuals. Demographic shifts in the population mean that the demand for SCSEP services will likely increase. As the only federally mandated job training program targeted toward serving low-income workers ages 55 years and older, SCSEP serves a dual purpose as a training program for low-income older workers and a source of subsidized staff trainees for community-based organizations. The Master Plan for Aging (MPA) outlines five bold goals and 23 strategies to build a California For All. One of the strategies is focused on preventing age discrimination and supporting the inclusion of older adults and people with disabilities in the workplace.

Opportunities: California's SCSEP has insufficient funding to support the program's allocated positions due to the disparity between the federal minimum wage of \$7.25 per hour and the California state minimum wage of \$15.50 per hour (at the time of drafting in 2023) or \$16.00 per hour (as 2024). State minimum wage increases have reduced or modified the number of CDA's allocated SCSEP positions by 51 percent, further destabilizing the program, reducing service capacity, and serving fewer older adults.

#### **WIOA Section 166 - Indian/Native American Programs**

The WIOA Section 166 Indian/Native American (INA) Program supports employment and training activities for Indian, Alaska Native, and Native Hawaiian people, helping more fully develop their academic, occupational, and literacy skills to help them compete more effectively in the job market and achieve personal and economic self-sufficiency. There are five WIOA

Section 166 INA Employment and Training grantees in California that receive funding to provide services to Indian and other Native American populations in California.

Clients/Service Population: WIOA Section 166 INA Program serves Indians, Alaska Natives, and Native Hawaiians who are unemployed, underemployed, low-income individuals, or a recipient of a lay-off notice.

Strengths: The INA Program promotes the economic and social development of Indian communities. Services are provided in a culturally appropriate manner, consistent with the principles of Indian self-determination.

Opportunities: The Employment and Training Administration (ETA) supports the Native American Employment and Training Council's (NAETC) recommended edits that the reauthorization of WIOA include investment in grantee capabilities to support a long-term sustainable program. Strategies, including the proposed increases for the INA Program and renegotiating the Memorandum of Understanding (MOU) to allow tribes to make maximum use of their grant funds, serve to invest in grantee capabilities and ensure longer term sustainability of grant programs.

The ETA additionally agrees with NAETC's recommendation to develop and issue a Tribal "Yes WIOA Can" campaign to clarify existing flexibilities for Native American community grants. INA Program grantees provided feedback to ETA during "Yes WIOA Can" plenary session and round tables discussions at the ETA National Convening in May 2023. The Department of Labor (DOL) is hosting Regional Convenings, which INA Program grantees are invited to attend and participate in panel discussions and breakout sessions. These Regional Convenings are including additional feedback opportunities for grantees to provide input on ways ETA can provide more flexibility in using grants to deliver services.

#### **WIOA Section 167 - Farmworker Service Programs**

The National Farmworker Jobs Program is a nationally directed, locally administered program of employment, training, and housing services for migrant and seasonal farmworkers and their dependents. Created under the Economic Opportunity Act of 1964, and currently authorized under WIOA Section 167, the program seeks to counter the chronic unemployment and underemployment experienced by migrant seasonal farmworkers (MSFW) who depend primarily on seasonal jobs in California's agricultural sector.

There are seven WIOA Section 167 farmworker service programs, five of which are represented statewide by La Cooperativa Campesina de California, as well as SER (Service, Employment and Redevelopment) Jobs for Progress National, Inc. and West Hills Community College District. La Cooperativa is also the Housing grantee in California who works to meet the critical need for a safe and sanitary permanent and temporary housing to assist with better economic outcomes for farmworkers.

These programs provide services throughout California, but especially in rural areas where farmworkers live and work. Training services include English as a Second Language, General Education Development, adult and family literacy, basic education, vocational education, and employer-based training. Related services such as childcare, transportation, emergency services, housing, financial assistance, counseling, job placement, and follow-up services enhance these training efforts.

Clients/Service Population: WIOA Section 167 grantees serve eligible MSFW and their dependents. Eligible farmworkers are those individuals who primarily depend on employment in agricultural labor that is characterized by chronic unemployment and underemployment. The grantees help farmworkers acquire skills needed to obtain, retain, and advance in agricultural jobs or start new careers.

*Strengths:* WIOA Section 167 grantees have well-developed relationships with Local Boards and the AJCC system, provide occupational skills training, related supportive services, and housing assistance to the MSFW population. The WIOA Section 167 grantees also list programs on the State Eligible Training Provider List and receive referrals from Wagner-Peyser staff in the AJCCs.

Opportunities: The funding allocated to MSFW programs is insufficient to meet the needs of the population and many MSFWs have limited English language capacity and do not have access to supportive services, including transportation and childcare, which limits opportunities for them to attain skills, credentials, and degrees from the "mainstream" educational system.

#### **Job Corps**

Job Corps is the nation's largest and most comprehensive free residential education and career training program for eligible youth, ages 16 through 24. Through a nationwide network of over 120 campuses, Job Corps students can learn the skills and resources to be successful in a career, earn a high school diploma or equivalent, train in one of ten different industries, and engage with a supportive community to access graduate resources and connections.

Clients/Service Population: Job Corps low-income 16- through 24-year-olds who are U.S. citizens, legal U.S. residents of a U.S. territory, and/or individuals who are authorized to work in the U.S.

Strengths: Job Corps is a comprehensive program where students have access to room and board while they learn skills in specific training areas for up to three years. In addition to helping students complete their education, obtain career technical skills and gain employment, Job Corps also provide transitional support services, such as help finding employment, housing, childcare, and transportation.

*Opportunities*: Since Job Corps Centers are only located in some Local Areas, not all AJCCs can access and provide referrals to the services they provide.

#### **Jobs for Veterans State Grant**

The Jobs for Veterans State Grant (JVSG) provides federal funding to state workforce agencies to hire dedicated staff to provide individualized career and training-related services to veterans and eligible persons with significant barriers to employment and to assist employers to fill their workforce needs with job-seeking veterans. The Disabled Veterans' Outreach Program (DVOP) specialists focus is on providing individualized career services through case management whereas the Local Veterans' Employment Representatives (LVER) coordinate with local business service teams and members of the community to advocate on behalf of veterans and to develop job opportunities specifically for veterans. In rural areas, a Consolidated Veterans Representative (CVR) position is available to provide a combination of services normally performed by the DVOP and LVER without hindering the provisions of services to veterans and employers.

Services are provided to veterans and eligible persons according to their individual needs. Basic career services are universally accessible and are made available to all veterans seeking employment and training services in at least one comprehensive America's Job Center of California (AJCC) in each Local Workforce Development Area. On a priority of service basis, an AJCC staff member determines the eligible person's purpose for registering. Once the veteran or other eligible person is identified, a Veteran Service Navigator conducts an initial assessment. If they are deemed a veteran with a significant barrier to employment or other special criteria, they are referred to the DVOP specialist for further assessment and individualized career services. Individualized career services are the next level of services provided to participants and are tailored to best meet the individual participant's needs. These services must be provided to a participant after AJCC staff determine that services are required to retain or obtain employment. Generally, these services involve significant staff time and customization to each individual participant's needs.

In addition to providing outreach to the local employer community, employer associations, and business groups, LVERs and CVRs work closely with employers, unions, trade organizations, apprenticeship programs, and community-based organizations to promote the hiring, training and development, and career advancement of veterans. Services are also delivered through veteran-focused Job Fair events and Stand Downs. This collaboration between LVERs, CVRs, and the local employer community serves to attract veterans and employers in need of employment services.

Clients/Service Population: In addition to the universal access and priority of services provided to all veterans, the JVSG program is intended to target the following veterans with barriers to employment:

- Special disabled or disabled veterans.
- Veterans aged 18 to 24.
- Veterans experiencing homelessness.
- A recently separated service member, who at any point in the previous 12 months has

been unemployed for 27 or more consecutive weeks.

- Any eligible veteran who is currently or was formerly justice involved.
- Vietnam-War Era veterans.
- Veterans lacking a high school diploma or equivalent certificate.
- Veterans that are low-income.
- Eligible transitioning service members, spouses, and caregivers.
- Any other population specified by the DOL Assistant Secretary for Veterans' Employment and Training.

Veterans with a significant barrier to employment or labeled in a specified category, will have access to all appropriate services available through the AJCC and are not limited to receiving services exclusively from DVOPs and CVRs.

Strengths: Since JVSG staff are required to be veterans, they have the opportunity to build rapport with their clients and assess not only their employment needs, but also additional community resources. This allows DVOPs and CVRs to provide veterans with comprehensive and specialized assessments of the skill levels and service needs of the individual veteran to obtain employment. LVERs and CVRs have first-hand knowledge of the attributes a veteran can bring to a company and provide employers assistance on understanding how the veterans' military experience matches their needs. LVERs and CVRs coordinate with local business service teams and members of the local employer community to advocate to employers, especially federal contractors, on behalf of veterans and to develop job opportunities specifically for veterans.

Opportunities: JVSG is continuing to work on fully integrating the LVERs and CVRs services into the Business Services platform in the AJCCs to promote hiring veterans to the employer community. LVERs and CVRs can continue to advocate for all veterans served by the local AJCCs and collaborate with all AJCC partners, including WIOA case managers to create job opportunities for all veterans being case managed and trained through other WIOA AJCC partner programs.

In addition, DVOPs are continually working to integrate with all AJCC partners and community resources to better serve the veteran community to obtain meaningful and successful careers. This includes actively seeking to establish partnerships with other state and federal agencies, such as the U.S. Department of Veterans Affairs, County Veteran Service Officers, and community-based organizations, such as Homeless Veterans Reintegration Program grantees, to identify available community resources and support systems to better serve veterans and eligible persons.

#### **State Strategic Vision and Goals**

Under the leadership of the Governor and Secretary for the Labor and Workforce Development Agency, California's vision for the future of workforce development is centered on the establishment and growth of a workforce system that promotes equity, job quality, and environmental sustainability for all Californians.

California is committed to developing a workforce system that enables economic growth and shared prosperity for employers and employees, especially those with barriers to employment, by investing in industry partnerships, job quality, and meaningful skills attainment.

One area in which CWDB pursues these aims is through its High Road <sup>SM</sup> programming. High Road refers to a "family of strategies" for achieving a participatory economy and society by aligning workforce and economic policy and different interests with long-term goals of environmental sustainability, high-quality jobs, and a resilient economy. <sup>1</sup> High Road emphasizes the complementarity of these aims over the long term. Practically, High Road policy builds on areas where interest of employers (in trained, and productive workers), workers and jobseekers (in good quality and accessible jobs), and environmental protection (for a sustainable future for all) overlap, to create pathways to high-quality jobs while raising the profile of existing ones.

Since the previous planning cycle, CWDB has reflected on the practical implementation of High Road principles in workforce development policy, arriving at four distinct "flavors" of intervention. These flavors are directly relevant to High Road projects, but also inform to a greater or lesser extent of all CWDB's workforce efforts: (1) Lift All Workers to the High Road, (2) Professionalize Precarious Work, (3) Democratize Access to High-Quality Middle Skill Jobs, and (4) Participatorily Plan the Low-Carbon Economy. <sup>2</sup>

These four interventions, which are detailed in the discussion that follows, closely mirror the Four Pillars of the DOL-ETA's 2030 Vision<sup>3</sup> as the table below summarizes:

#### Four Pillars & Four Interventions

Four Pillars (DOL ETA Vision 2030)	Four Flavors (CWDB)	Shared Vision
Open Opportunities for	Lift All Workers to the High Road -	Focus on opportunity for
<b>Vulnerable Workers and</b>	Prioritize supports and direct	the most vulnerable.
Communities - Ensure our programs focus on workers and communities who have been left behind—from reentry, to rural, to opportunity youth.	services for the hardest-to-serve, ensuring access to high-quality employment for all workers, including those facing structural barriers (homelessness, incarceration, etc.).	

(dol.gov)

<sup>&</sup>lt;sup>1</sup> A focus on alignment and coordination of worker and employer needs as well as multiple areas of government policy is also a hallmark of the recommended "whole-of-government approach" of the OECD Skills Strategy (OECD Skills Strategy 2019: Skills to Shape a Better Future | en | OECD).

<sup>&</sup>lt;sup>2</sup> These interventions are introduced in a forthcoming CWDB policy paper: Phyllis Jeffrey, Ph.D. "On the High Road: Making Markets Work for People and the Environment" (California Workforce Development Board, forthcoming).

<sup>3</sup> See Investing in America: 5 Takeaways from the ETA 2030 Vision Convening | U.S. Department of Labor Blog

Four Pillars (DOL ETA Vision 2030)	Four Flavors (CWDB)	Shared Vision
Building a Better Care Economy.	Professionalize Precarious Work -	Actively improve the
Support good jobs and	Through partnership with	quality of high-demand
protections for care workers—	employers, worker	service jobs.
from nursing, early care, mental	representatives, and trainers,	-
health, and more—with a focus	increase the recognition of skill	Pathways
on low-wage, BIPOC, young adult,	standards in traditionally low-	CWDB focus includes care
and women workers.	wage, nonstandard, service jobs in	work as well as other low-
	a manner that bakes in green	wage service jobs
	skills.	(janitorial, hospitality).
New Industry Partnerships that	Democratize Access to High-	Focus on using partnership
Lead to Real, Good Jobs. Foster	Quality Middle Skill Jobs –	and apprenticeship to
partnerships with business and	Increase accessibility of in-	expand access to high-
training providers and workers,	demand, middle-skill jobs in	quality trades employment.
including new entrants and youth,	union-dense and highly regulated	
to ensure all training leads to	areas (such as commercial	
good jobs across sectors from	construction) to women, POC, and	
education, infrastructure, supply	other underrepresented groups.	
chain, to manufacturing.		
Action Today for the Future of	Participatorily Plan the Low-	Active planning for the low-
Work. Engage federal, state, and	Carbon Economy – Facilitate	carbon economy.
local leaders and the private	participatory planning for the	
sector to prepare, support, and	training needs, quality, and	CWDB specifies worker
invest in workers and	accessibility of jobs in emerging	inclusion.
communities to prepare for jobs	low-carbon sectors.	
of the future and emerging		
industries.		

## The Continued Need for a High Road Workforce Agenda: Labor Market Demand, Skill Profile, Quality Profile, Accessibility Profile

At the time of drafting, the U.S. unemployment rate in the most recent quarter was 3.8 percent. <sup>4</sup> A useful lesson can be gleaned by comparing this rate with the much higher rates of poverty (12.4 percent nationally <sup>5</sup>); of healthcare uninsurance (8 percent <sup>6</sup>); and particularly of self-reported financial insecurity (over 50 percent of respondents in a survey by the U.S. Census Bureau <sup>7</sup>).

<sup>&</sup>lt;sup>4</sup> Jobs Repo<u>rt: U.S. Added 336,000 Jobs in September - The New York Times (nytimes.com)</u>

<sup>&</sup>lt;sup>5</sup> Using the Supplemental Poverty Measure or SPM, Poverty in the United States: 2022 (census.gov)

<sup>&</sup>lt;sup>6</sup> New HHS Report Shows National Uninsured Rate Reached All-Time Low in 2022 | HHS.gov

<sup>&</sup>lt;sup>7</sup> Researchers from the Social, Economic, and Housing Statistics Division of the U.S. Census Bureau asked the question, "In the last 7 days, how difficult has it been for your household to pay for usual household expenses, including but not limited to food, rent or mortgage, car payments, medical expenses, student loans, and so on?". In 2020, 2021, and 2022, over 50 percent of those surveyed reported "a little," "somewhat," or "very" with respondents experiencing no difficulty at meeting household expenses in the minority in each year.

SEHSD wp2023 03.pdf (census.gov)

Within California, while the current unemployment rate is less than 5 percent, <sup>8</sup> research by the Public Policy Institute of California found that more than one-quarter of state residents were at or near poverty (2021). <sup>9</sup> The same research also found that 64.2 percent of poor Californians lived in families with at least one working adult, with 34.7 percent of those in poverty having at least one member reported working full-time for the entire year. <sup>10</sup> A report by the nonpartisan research organization the California Budget and Policy Center estimated that about 2.1 million California households were facing housing hardship in the first months of 2022, meaning people were already late on rent or mortgage payments and/or had low confidence in their ability to make their next payment. <sup>11</sup>

A clear implication is that, while jobs exist, too many Californians are unable to attain a standard of living that lifts them out of financial insecurity.

At the same time, major growth industries, such as healthcare, experience significant demand for workers.

What are the policy barriers to helping unemployed and underemployed workers into high-quality and in-demand jobs?

CWDB's High Road approach seeks to coordinate responding to the needs of jobseekers and industry, in a manner that promotes access to employment in already-good jobs and raises the profile of jobs in those burgeoning in-demand sectors which will form the backbone of the state's economy.

Labor market projections from the Employment Development Department's Labor Market Information Division (LMID), coupled with occupational pay and demographics, provide the information needed to address gaps in the talent pipeline of industry while addressing goals of equity, job quality, and climate sustainability in the workforce. The text below highlights several in-demand sectors and occupations and the issues facing them, using a combination of LMID and Bureau of Labor Statistics (BLS) data and other sources.

The ten sectors projected to employ the largest numbers of Californians by 2030 are dominated by services, especially by healthcare, and also include Professional and Business Services, Leisure and Hospitality, Accommodation and Food Services, Retail Trade, Transportation and Warehousing, as well as Construction and the sector that contains janitorial and security work. <sup>12</sup> At the same time, employment in other areas—particularly in fossil fuel sectors—will

<sup>&</sup>lt;sup>8</sup> EDD Labor Market Information Division - Home Page (ca.gov)

<sup>&</sup>lt;sup>9</sup> Poverty in California (ppic.org)

<sup>10</sup> Ibid

<sup>&</sup>lt;sup>11</sup> Who is Experiencing Housing Hardship in California? - California Budget and Policy Center (calbudgetcenter.org)

<sup>&</sup>lt;sup>12</sup> For full detail, visit <u>Employment Projections (ca.gov)</u>, select Long-Term Projections, and sort by Projected Year Employment Estimate, 2030.

decline; while these jobs are being replaced by new activities in the low-carbon economy, details are difficult to anticipate.

Projections hold several implications for CWDB's High Road workforce development approach. Specifically, workforce development must address demand in service fields in a way that ensures equitable mobility for workers; it must find ways to meet continuing demand in good-quality middle-skill construction jobs in a manner that reflects the diversity of the state; and it must work creatively to foster training for jobs in new sectors.

Below discusses key employment sectors, along with their key issues pertaining to demand, training, and equity and job quality issues.

## Healthcare—challenge of achieving equitable access to high-quality jobs while meeting demand.

The DOL ETA has recently called out the need to plan for workforce training in the care economy and in nursing, specifically, as part of its "ETA 2030" vision. <sup>13</sup> This inclusion reflects awareness of both the economic demand for care workers, and the access and quality issues that make it an important focus for workforce development.

In California, healthcare is projected to be the top-employment sector in the state by 2030, <sup>14</sup> and top-growth 25 growth occupations in the state include multiple health occupations. Home Health Aides and Personal Care Aides represent the largest growth occupation in ten-year projections, anticipated to add jobs by 2030. Other in-demand jobs in healthcare include high-paying occupations like Nurse Practitioner, which is among the fastest-growing occupations in the state, projected to grow by 56 percent by 2030. <sup>15</sup>

Demand in some areas of the state is even higher. Workers in primary care, primary prevention, behavioral health, and aging-related services are disproportionately undersupplied across the state. Heavily underserved areas (termed Health Professional Shortage Areas or HPSAs) are 70 percent Latino, African American, and Native American. <sup>16</sup> In behavioral health, some areas (Inland Empire and the San Joaquin Valley) have low provider-to-population ratios while other areas (the Bay Area) employ over three times more psychiatrists than those two regions on a population basis. <sup>17</sup> Current worker retirements have led to a looming shortage of experienced nurses and other health professionals.

Healthcare is a large field and encompasses a range of occupations, from jobs that pay just above the minimum wage to those that offer high pay and benefits.

<sup>13</sup> Investing in America: 5 Takeaways from the ETA 2030 Vision Convening | U.S. Department of Labor Blog (dol.gov); Investing in Nursing = A Better Care Economy | U.S. Department of Labor Blog (dol.gov)

<sup>&</sup>lt;sup>14</sup> EDD-LMID. 2020-2030 California Industry Sector and Supersector Employment Projections.

<sup>&</sup>lt;sup>15</sup> Employment Projections (ca.gov)

<sup>&</sup>lt;sup>16</sup> California Future Health Workforce Commission 2019, p. 14

<sup>&</sup>lt;sup>17</sup> Ibid, p. 16

Unfortunately, there is often little mobility between jobs at the lower end of the pay scale (home health, CNA) and the upper end (nurse, doctor). Low pay contributes to low retention rates, as workers may leave to seek similar pay in lower-stress service jobs. <sup>18</sup> In California, Nursing Assistants make a median hourly wage of \$20.12 while the median hourly wage for home health and personal care aides is only \$15.63, or barely above the state minimum. <sup>19</sup>

Ironically, many of the lower-paid healthcare jobs are those that exact the greatest emotional and physical demands (e.g., lifting patients) on workers. In one study surveying Medicare certified Home care aides in Chicago, interviewees described common stressors including workplace abuse, lack of training, and lack of information in the care environment. When surveyed for health indicators, direct care workers in Chicago reported elevated rates of stress-related health conditions such as hypertension, asthma, and arthritis. Smoking habits of direct care workers were double those of the average American, and mental health issues were a common theme among interviewed direct care workers. <sup>20</sup>

In contrast, other in-demand healthcare jobs—such as Nurse Practitioners, are projected to experience 12 percent employment growth by 2024 and by 55 percent employment growth by 2030—are high-paying (NPs in California make a median hourly wage of \$74.66) and offer better benefits, and job security, while imposing fewer physical demands on workers.

Yet, representation of people of color and immigrants in these higher-quality, higher-paid health jobs is lower than at the low end of the pay and quality scale, suggesting significant blocked mobility from entry-level occupations. National data shows that 9.9 percent of NPs are Black, 6.7 percent Latinx, and 6.25 are Asian. By contrast, 36.0 percent of nursing assistants are Black, 15.3 percent are Latinx, and 5.6 percent are Asian; and 32.5 percent of home health aides are Black, 28.9 percent are Latinx, and 11.1 percent are Asian. <sup>21</sup>

As research continually finds benefits to patients from racial/ethnic concordance among providers and patients, <sup>22</sup> increasing access for Latinos, African Americans, and Native Americans to jobs as nurses and physicians will be a major priority as well for quality of care. <sup>23</sup>

The Workforce for a Healthy California initiative <sup>24</sup> is a comprehensive and interagency investment in expanding and diversifying California's health and human services workforce

<sup>&</sup>lt;sup>18</sup> Spetz 2022

<sup>&</sup>lt;sup>19</sup> EDD-LMID quarterly wage projections for California for Q1 of 2023 (<u>CA-OEWS-California Statewide-2023.xlsx</u> (live.com)

<sup>&</sup>lt;sup>20</sup> Muramatsu et al. 2019; Cao 2020

Employed persons by detailed occupation, sex, race, and Hispanic or Latino ethnicity: U.S. Bureau of Labor Statistics (bls.gov)

<sup>&</sup>lt;sup>22</sup> PPIC 2014, p. 7

<sup>&</sup>lt;sup>23</sup> California Future Health Workforce Commission 2019, pp. 5, 12

<sup>&</sup>lt;sup>24</sup> Workforce for a Healthy California - California Health and Human Services

across behavioral health, primary and specialty care, nursing, allied health, and direct care professions.

Roles supported by the investment include nurses, social workers, caregivers, community health worker/promotor(a)s/representatives (CHW/P/R), emergency medical technicians, and others. Workforce for a Healthy California will also support individuals interested in transitioning to health careers, including English Language Learners and underserved populations.

Workforce for a Healthy California complements other major initiatives, including the *Children* and *Youth Behavioral Health Initiative*, *CalGrows*, and the *Reproductive Health Care Access Initiative*, which total more than \$7 billion to expand the health and human services workforce.

As a workforce component of this initiative, HRTP for Healthcare prioritizes funding for training in healthcare, particularly in allied health jobs that pay at least \$20/hour and do not require a four-year post-secondary degree. Many allied health jobs are middle-skill jobs (requiring more than a high school diploma but less than a four-year post-secondary degree) that are relatively well-paying, offer opportunities for career advancement, and can be excellent pathways to economic security and upward mobility. However, too many jobs in the healthcare sector (e.g., Home Health Aids, Certified Nursing Assistants) are low wage and have limited growth opportunities. Individuals in these roles are overwhelmingly people of color, and many are recent immigrants, who are locked in poverty and do not have the resources or supports to advance in their careers. Thus, the investment in allied health training seeks to ensure accessibility of pathways to economic security and advancement for members of underrepresented communities as well as meeting the state's healthcare workforce needs. <sup>25</sup>

#### **Building Trades**

Construction is also among the top-growth industry sectors and is projected to employ nearly one-million Californians (969,200) by 2030. The demand for construction workers and apprentices will only grow with passage of the Infrastructure Investment and Jobs Act (IIJA), a \$1.2 trillion historical investment in public transit, clean drinking water and wastewater infrastructure, clean energy transmission and Electric Vehicle (EV) infrastructure.

In this area, pay levels tend to be competitive, however, key issues are access, as 95 percent of California's construction industry sector jobs are currently held by men. <sup>26</sup>

<sup>&</sup>lt;sup>25</sup> Healthcare High Road Training Partnership Overview

<sup>&</sup>lt;sup>26</sup> Source: U.S. Census Bureau, Current Population Survey of Households, Annual Social and Economic Supplement (March 2023), compiled by: EDD-Labor Market Information Division, September 2023

#### **Emerging Low-Carbon Sectors**

As fossil fuel production inevitably declines, statewide jobs in oil and gas production will decline with it. As this occurs, new industries—offshore wind, various stages in the zero-emission vehicle supply chain, solar energy, building decarbonization—are emerging.

Like the demand for apprentices, the growth and development of low-carbon sectors is being driven by state and national policy in zero-emission vehicle production, emissions reduction, and alternative energy sources.

Critical work is emerging in new industries which will power the transition such as lithium extraction and offshore wind energy.

Pressing issues for workforce development include arriving at reliable estimates of job need. This is a difficult task on fields that are still under development: planning for training needs with community college and other partners, and adjudicating the profile of work in emerging sectors. For example, as traditional auto makers expand their investments into Zero Emission Vehicle (ZEV) production, how will these jobs compare in pay, benefits, as well as training prerequisites and skill profile, to traditional auto jobs? How will emerging technologies of automation and surveillance be incorporated into existing jobs? How such questions are resolved have potentially crucial ramifications for jobseekers and incumbents. <sup>27</sup>

#### **Other Growth Sectors and Industries**

Besides healthcare, several other fields in the service economy projected to employ large numbers of Californians are good candidates for High Road workforce development. Accommodation and Food Services, Retail Trade, Transportation and Warehousing are all projected to be among top employment sectors in the state by 2030. <sup>28</sup>

Jobs in these sectors are often among the lower paying in the state. For example, hourly wages for many occupations in Accommodation and Food Services fell below \$16 and \$18 per hour, just above state minimum wage. <sup>29</sup>

Median hourly wages in Transportation and Warehousing (which include Heavy and Tractor-Trailer Truck Drivers) were higher, falling closer to \$25 and \$26 per hour. <sup>30</sup> However, entry barriers coupled with job quality concerns in trucking (high cost of obtaining a commercial driver's license, unpaid waiting times on the job, misclassification, and stagnant wages) have served as deterrents to filling demand. <sup>31</sup>

<sup>&</sup>lt;sup>27</sup> See e.g., <u>The stakes for workers in how policymakers manage the coming shift to all-electric vehicles | Economic Policy Institute (epi.org)</u>

<sup>&</sup>lt;sup>28</sup> For full detail, visit <u>Employment Projections (ca.gov)</u>, select Long-Term Projections, and sort by Projected Year Employment Estimate, 2030.

<sup>&</sup>lt;sup>29</sup> See <u>CA-OEWS-California Statewide-2023.xlsx (live.com)</u> for estimated wages for Q1 of 2023 in California.

<sup>&</sup>lt;sup>31</sup> <u>The Great American Trucker Shortage Isn't Real | Time; Truck Stop: How One of America's Steadiest Jobs Turned Into One of Its Most Grueling - The Atlantic.</u>

#### **Challenges for High Road Workforce Development**

Inequities in job quality and access to the growth industries in the state pose challenges for equitable workforce development and growth, which the CWDB High Road programs address through four kinds of intervention: 1) Lift All Workers to the High Road; (2) Professionalize Precarious Work; (3) Democratize Access to High-Quality Middle Skill Jobs; and (4) Participatorily Plan the Low-Carbon Economy.

Many lower-paying service fields—home health and residential care, food service, retail—are the very areas in which growth exists. The pandemic heightened public awareness of the types of non-pay-related hardships workers in frontline, shift-based, and service jobs faced: health and safety risk; emotional labor from the need to confront or manage often irate customers or clients; and the virus itself. The potential for exploitation in these jobs is high.

#### First Challenge

A first challenge therefore is: How can workforce development prepare workers for in-demand jobs and facilitate mobility in pay?

Where jobs are middle-skill and good-quality, equity of access poses a challenge. These jobs are often in construction and may be accessed without a four-year academic degree through a registered apprenticeship, which has the benefit of providing earnings while gaining skills. However, in California, only 9 percent of apprentices are women and white and Hispanic males dominate.

#### Second Challenge

A second challenge is: How can workforce improve equity of access to already good and middle-skill jobs?

Emerging sectors represent a new arena and challenge for future-oriented workforce development. How can the state work to meet demand for training in sectors that, like offshore wind energy or lithium extraction, are only now coming online?

#### Third Challenge

The final challenge is: How can workforce development foster training in new low-carbon sectors that will ensure the meeting of employer needs and worker job quality?

Overarchingly, CWDB programs recognize that jobseekers, particularly those from structurally disadvantaged populations, have needs that must be addressed prior to a meaningful ability to focus on obtaining a job.

In this section, we clarify the principles that guide workforce development in a High Road vision. Subsequently, we address the four types of intervention that will allow us practically to achieve them as we meet the economic demand discussed above.

#### **Three Principles of High Road**

California's High Road vision for the state's workforce development system embodies the

principles of job quality, worker voice, equity, and environmental sustainability. Implementing this vision through policy, programs, and other practices will benefit workers, job seekers, and industry as well as the state's workforce development system.

#### Job Quality

High road employers provide quality jobs, compete based on the quality of their services and products, invest in a skilled workforce, and engage workers and their representatives in the project of building skills and competitiveness. At a minimum, quality jobs are characterized by family-supporting wages, benefits, safe working conditions, fair scheduling practices, and career advancement opportunities that are transparent.

In practice, job quality means strategically supporting California's leading high road employers and connecting individuals to the greatest extent feasible to the best jobs. This includes supporting industry sectors where low-wage jobs are predominant as long as there are high road employers willing to invest in workers' skills and/or develop career pathways.

Orienting the workforce development system toward job quality serves job seekers and workers by placing them in employment that allows them to sustain a high quality of life for themselves, their families, and broader community that depends on their earnings. It also levels the industry playing field by rewarding employers that follow the rules (e.g., no wage theft or worker misclassification) and compete based on quality and respect for those who help create value.

Lastly, job quality serves the workforce development system and broader public sector by protecting investments in training (i.e., ensuring that money spent on training workers is not lost as a result of turnover), an endemic problem in low-road industries and sectors. An important guarantor and component of job quality is the presence of worker voice. As the former, worker voice refers to the ability of workers to communicate concerns and feedback comfortably and effectively on the job, without fear of retaliation. This is obviously necessary to ensure that any violation of job quality is remedied, and that workers meaningfully share power on the job. Structurally, this takes the form of employer union neutrality, and lack of action to impede worker organizing.

As an element of job quality, worker voice describes the inclusion of worker input in production processes, and represents a participatory employment model, grounded in research findings that employers stand to gain from worker knowledge. Even in traditionally low-wage fields, treating workers as partners yields economic benefits: a Harvard study of a Fortune 500 retailer found that every dollar increase in pay translated to over 100 percent gains in productivity. <sup>32</sup> Further research out of the Massachusetts Institute of Technology (MIT) Good Jobs Institute on supermarkets and convenience stores on zeroes in on just how this works: employers who pay higher wages and incorporate frontline worker input into processes (like how to standardize

<sup>&</sup>lt;sup>32</sup> Emanuel, N. and Harrington, E. (2020). The Payoffs of Higher Pay: Elasticities of Productivity and Labor Supply With Respect to Wage. Working paper. <a href="mailto:emanuel\_imp.pdf">emanuel\_imp.pdf</a> (harvard.edu)

delivery ordering) see cost reduction via reduced turnover; labor productivity gains (from better-motivated workers and increased efficiencies facilitated through better communication, etc.); and other forms of competitive advantage. <sup>33</sup>

It begins with a recognition of the wisdom of workers who know their jobs best and by building an industry-driven skills infrastructure where industry means both employers as well as workers and their representatives. Structurally, this takes the form of incorporation of worker feedback into trainings, forms of profit-sharing, or even cooperative ownership.

By investing in and promoting planning with workers and management at the table, California is supporting partnerships that develop industry-led solutions to critical challenges and opportunities such as:

- Assessing current workforce gaps due to forthcoming retirements, job quality concerns, and/or insufficient training capacity;
- Addressing expected changes as a result of technology deployment including, but not limited to, automation and artificial intelligence; and
- Maintaining or increasing competitiveness in anticipation of, or in response to, market forces such as new laws and regulations as well as global trade effects.

Worker voice is also essential to workforce development policy and practice in order to ensure that investments in training and credentialing are connected to meaningful career advancement. In addition to benefitting workers and employers, career advancement is necessary to create opportunities for new, entry-level workers which is the basis for equity and inclusion within the California's High Road vision.

The benefits and impact associated with worker voice are multiple and shared broadly. Workers can experience better working conditions and a greater sense of value and ownership on the job and within the firm by helping to make decisions that affect their livelihoods, both present and in the future. Individual firms and whole industry sectors benefit from development of new standards that can improve consistency in work and training and can support higher productivity. By focusing on developing robust solutions to critical issues identified by the industry, worker voice helps build a culture of continuous learning and collaboration, which is critical as industries change and advance over time.

Decision-makers and the public sector also gain from more widespread practice of joint labor-management planning and partnership. Gains include improved ability to manage limited resources for enforcement of employment laws (e.g., laws pertaining to wage and hour as well as health and safety) and deeper input and institutional investment in developing safeguards for workers and communities coping with disruption linked to environmental constraints, technological change, and other forces affecting employment, skills, and competitiveness.

<sup>&</sup>lt;sup>33</sup> Ton, Z. (2017, Nov, 30). The Case for Good Jobs. Harvard Business Review. The Case for Good Jobs (hbr.org)

In sector strategies, workers are not necessary partnership stakeholders. By contrast, in High Road Training Partnerships (HRTPs) workers are integral stakeholders within the partnership.

#### **Equity**

Existing social, economic, and institutional bases of inequality mean that economic outcomes are stratified according to race, ethnicity, disability, and gender. The high road vision and agenda therefore emphasizes equity in workforce development, with the aim of systematically generating greater opportunity for Californians who have been locked out of the mainstream economy, are under-represented in high-wage occupations and industries, and/or face multiple barriers to quality employment.

Equity also means respecting and valuing the work done by immigrants, people of color, and other populations facing marginalization that is often overlooked by workforce development resources. Particularly in industries where low-wage jobs are predominant, equity strategies emphasize upskilling and professionalization that helps to standardize the work and training as well as value and compensate workers for new skills acquired through training and certification.

This vision of equity inherently involves participation of employers and often of consumers, as strategies for professionalization of non-professional or informal work (like janitorial work) often take the form of securing industry "buy-in" to a higher-cost product (a contract with a janitorial company whose workforce is certified in use of environmentally friendly products for example) in exchange for some perceived gain in the quality of what is purchased (building energy savings, for example).

A number of practices are required to achieve greater equity in labor market outcomes, including increased partnership with CBOs. CBOs are often grounded in and provide critical resources to marginalized communities which makes them invaluable partners in furthering an equitable High Road agenda.

#### Climate and Environmental Sustainability

In addition to job quality, worker voice, and equity, California's High Road vision for workforce development addresses issues pertaining to environmental sustainability, particularly climate change. This is based on a recognition that climate change has serious implications for the state's economy, and that the impacts of climate change disproportionately impact low-income communities and communities of color.

With respect to economy-wide implications, every occupation and industry—to varying degrees—is impacted by climate change and/or has an effect on the environment and climate. Moreover, California's transition to a carbon neutral economy is reshaping whole industry sectors, including the occupations and employment within those sectors as well as the knowledge and skills required. Accordingly, high road workforce development—through sector-based high road training partnerships—considers job growth, job loss, and changes in the nature of work associated with environmental change and related policies and investments. To this end, special attention must be paid to industry sectors that are on the frontlines of the

transition to a carbon neutral economy (e.g., energy generation and distribution, buildings and construction, vehicle and components manufacturing, and forestry services and agriculture) while ensuring that programs and investments continue to address workforce development economy wide.

#### Implementing High Road Workforce Development: Four Interventions.34

Since the previous planning cycle, CWDB has had time to reflect on the practical implications of policy to meet these four principles.

Out of this process of reflection have crystallized four distinct interventions: Professionalizing Precarious Work; Democratizing Access to Good Jobs; Participatorily Planning for the Low-Carbon Economy; and Lifting Workers to the High Road. Each intervention addresses shortcomings in one area of the labor market, to facilitate achieving the unified goal of CWDB policy, which is to attain high levels of all four principles for all workforce participants.

Although High Road is one policy vision, implementation translates to several types of interventions, that address the specific impediments to High Road in various areas of the labor market. Each of the High Road interventions can be seen as acting upon different existing levels of the four principles. Where jobs already pay well and offer good benefits, security, and other non-wage amenities, Job Quality can be said to have been reached. But if these jobs are not broadly accessible such that levels of racial and gender diversity are low, then equity cannot be said to have been achieved. Likewise, if participants are getting jobs but the terms of employment offer little protection against arbitrary firing, fail to protect worker health and safety, and/or pay unlivable wages, then Job Quality (and Worker Voice) have not been achieved. Finally, jobs must meet requirements for the low-carbon economy, if the benefits they provide to workers, businesses, and citizens, are to be sustainable.

The four interventions are complementary approaches that use demand- and supply-side levers to achieve uniformly high levels of the Principles of High Road: Job Quality, Equity, Worker Voice, and Environmental Sustainability, across the labor market.

As will be clear, the fulcrum of all this work is **partnership**: All four interventions require the alignment of worker needs with employers and training partners (e.g., to design curriculum and scheduling that enables entry workers to ascend to higher jobs; to foster employer agreements to honor skill certifications; and to align labor and employer groups to plan for new jobs in low carbon sectors).

Three other "essential elements" are also characteristic of High Road training projects. These are **industry-based problem solving** that involves joint participation of workers and employers, facilitation of **worker voice** in the employment relationship, and ongoing design of training. Together with partnership, these facilitate **training solutions that are aligned with industry and worker need**.

<sup>&</sup>lt;sup>34</sup> Phyllis Jeffrey, Ph.D. "On the High Road: Making Markets Work for People and the Environment" (California Workforce Development Board, forthcoming).

#### **Professionalizing Precarious Work**

One striking observation from LMID's Ten-Year Occupational Projection data is that seven of the top ten occupations by numeric projected growth by 2030, currently pay at or marginally above the California minimum wage in 2023 of \$15.50. <sup>35</sup> A High Road agenda means acknowledging that it is not enough just to make high paying jobs more accessible; if the backbone of the state economy is going to be service jobs, then part of the task of High Road workforce development planning is to improve the quality of the jobs themselves.

In these fields, which include home health, retail, and food service, accessibility of jobs is not a problem. Jobs may require no or minimal certifications, and data reveals the overrepresentation of women, immigrants, and people of color.

In some fields, the quality of work is almost directly inversely related to diversity of the workforce, as in healthcare (discussed above).

Problems center around the quality of work. Not only median pay, but provision of benefits, levels of job security (measured by retention rates), worker voice, and autonomy over performance of work tasks are usually low. Work arrangements may differ markedly from a standard model of full-time hours, stable pay, and benefits. <sup>36</sup> Workers may be subject to health and safety risks, and/or may lack the ability (linguistic, legal, or other barriers) to voice concerns. Paths to upward mobility may be blocked due to the unpredictability of schedules that impede enrolling in training or education to advance. <sup>37</sup>

In such fields, the goal of policy *is to raise the profile of an occupation itself*. Projects introduce certification standards in traditionally informal fields to professionalize these occupations, all the while working with interested employers or employer representatives to ensure that the certification is industry-relevant and representative of a real set of skills translatable to pay or other job quality premia. Often, the content of these additional skills is in eco-friendly or green techniques, procedures, or knowledge that are already becoming necessary as California

<sup>&</sup>lt;sup>35</sup> At the time of drafting in late 2023, the California minimum wage is \$15.50/hour. On January 1, 2024, the state minimum wage undergoes an increase to \$16/hour. For further detail, please see: California's Minimum Wage to Increase to \$16 per hour in January 2024 | California Department of Industrial Relations. Employment Projections (ca.gov). Home Health and Personal Care Aides (the top growth occupation) pays \$15.21/hour, Fast Food and Counter Workers make \$15.61/hour, Cashiers earn \$15.00/hour, Retail Salespersons, \$15.34, Farmworkers and Laborers, \$15/hour, and Waiters and Waitresses, \$15.51/hour. (The occupations with median pay below current statewide minimum wage are explained by the fact that wages are from Q1 of 2022). See: Employment Projections (ca.gov).

<sup>&</sup>lt;sup>36</sup> Non-standard forms of employment (Non-standard forms of employment) (ilo.org)

<sup>&</sup>lt;sup>37</sup> Low-wage Work Uncertainty often Traps Low-wage Workers - Center for Poverty and Inequality Research (ucdavis.edu); Hard Times: Routine Schedule Unpredictability and Material Hardship among Service Sector Workers | Harvard Kennedy School

encounters a vast array of climate-focused target and deadline dates in its transportation, energy, and other sectors. <sup>38</sup>

Projects within this intervention type may especially use state strategies that include Career Pathways (e.g., removing barriers to mobility for those in entry positions like CNA, to higher pay jobs like LVN, by working with partners to facilitate timing of coursework and clinical hours); as well as Fostering Workforce Standards (for instance, facilitating employer group agreement to honor new kinds of skill certifications like Green Janitor to merit higher pay).

#### **Democratizing Access to Good-Quality Middle-Skill Jobs**

A second area of economic and employment importance is work in the skilled trades, with the construction sector projected to growth 13.2 percent by 2030. <sup>39</sup>

Commercial construction jobs offer a middle-skill-level good-quality job, typically providing family-sustaining wages, benefits, and security. However, diversity remains low. Therefore, High Road projects intervene to *provide equity of access* and *increase representation* of women, immigrants, and persons of color in already good jobs. In other words, here the demand-creating mechanism for high-quality work already exists. The intervention necessary is to ensure that the individuals filling that demand are diverse.

The best example of this is the approach of pre-apprenticeship training under the Multi-Craft Core Curriculum (MC3) through the High Road Construction Career (HRCC) program.

Apprenticeship in building trades provides guaranteed access to high-paying, benefits-providing employment in commercial construction, where quality is more or less ensured via high levels of unionization as well as the existence of public works contracts, which mandate carry requirements that contractors pay prevailing wage. <sup>40</sup> But access to apprenticeship has traditionally been limited: word-of-mouth notification of openings and enrollment processes, and a traditionally insular culture have made trades apprenticeship limited to the social networks of current construction workers and apprentices, reproducing the demographics (largely white and male) of existing trades workers and shutting women and people of color. Currently, only 9 percent of registered apprentices in the state are women, and although Latinx individuals represent the largest share of apprentices, numbers of Black, Asian, and Native American apprentices are low. <sup>41</sup>

The HRCC program offering the MC3 provides an entry point for individuals who may be interested in trades apprenticeship, including those from underserved populations. Since the passage of Assembly Bill (AB) 2286 in 2018, the MC3 curriculum was enshrined in state law as

<sup>&</sup>lt;sup>38</sup> For instance: <u>Executive Order N-79-20</u>, requiring 100 percent of in-state sales of new passenger vehicles and drayage trucks to be zero-emission by 2035, with medium- and heavy-duty vehicles to follow in 2045; and SB 32, requiring CA to reduce its greenhouse gas emissions to 40percent below 1990 levels by 2030.

<sup>&</sup>lt;sup>39</sup> Employment Projections (ca.gov)

<sup>&</sup>lt;sup>40</sup> See <u>Section 1720 of the Labor Code</u> on requirements associated with Public Works.

<sup>&</sup>lt;sup>41</sup> Registration Dashboard | Tableau Public

the required definition of "pre apprenticeship" using federal workforce dollars, <sup>42</sup> and subsequent state funding opportunities (such as SB 1) also mandate the MC3 standard. <sup>43</sup> These legal requirements provide a pipeline for underrepresented groups into trades apprenticeships. Meanwhile, Community Workforce Agreements create direct demand for apprentices from underrepresented populations.

The MC3 curriculum is designed to achieve goals both of equity and job quality. MC3's breadth is deliberate, offering foundational training in skills necessary for a variety of trades. This breadth is grounded in the theory that broad-based training favors the interest of workers, who gain the freedom and mobility to enter a variety of related fields and occupations. MC3 also provides education in prerequisite skills like mathematics, to ensure all graduates have a shared foundation whatever the quality of education they previously had access to.

Another way that projects have removed barriers to entry into the trades over the last three years has been through providing participants with additional instruction in math and English—two proficiencies identified by industry partners as an obstacle into high-paying mechanical trades such as electrical work. During the pandemic, some HRCC projects even worked creatively to expand their programmatic offerings via online instruction, such as Valley Build in Fresno.

Strategies in this intervention type hinge on the Earn and Learn approach of apprenticeship; as well as the demand guarantee for apprentices from underrepresented groups represented by Workforce Standards like Community Workforce Agreements.

HRCC projects are organized in relation to local and regional demand which is facilitated through their partnership with local Building Trades Councils to ensure appropriate numbers of enrollments into the MC3 curriculum to meet regional demand for apprentices.

#### Participatory Planning for the Low-Carbon Economy

A third High Road intervention concerns planning for jobs in industries that are emerging as the state transitions to a low-carbon economy. This includes jobs in the production and maintenance of zero-emission vehicles and charging infrastructure, jobs in emerging non-fossil-fuel energy (offshore wind, solar); in the mitigation and management of consequences of climate change (line clearance tree trimming) and dismantling of the former fossil fuel industry (oil well capping, building decarbonization).

<sup>&</sup>lt;sup>42</sup> <u>Bill Text - AB-2288 Apprenticeship programs: building and construction trades. (ca.gov)</u>; AB 2288 modified CU<u>SB1 Workforce Guidelines, High Road Construction Careers</u> IC Section 14230(e) to require the State Board and each Local Board to ensure that WIOA funds respectively awarded by them for pre-apprenticeship training in the building and construction trades, fund programs and services that follow MultiCraft Core Curriculum (MC3). The law also requires that providers of pre-apprenticeship programs funded with WIOA funds help increase the representation of women in those trades by developing a plan for outreach and retention of women in these pre-apprenticeship programs. See: <u>DIRECTIVE-QUALITY APPRENTICESHIP AND PRE-APPRENTICESHIP OPPORTUNITY</u> (ca.gov)

<sup>&</sup>lt;sup>43</sup> SB1 Workforce Guidelines, High Road Construction Careers, p. 4

Here, the challenge is to build partnerships and capitalize upon common industry-worker-environmental goals to ensure that training and job planning *meet the needs of industry for appropriately trained workers and the needs of jobseekers for accessible and high-quality jobs.* 

Key activities and deliverables are industry and regional analyses to better understand the needs of workforce, and the securing of legally binding agreements such as project-labor and community workforce agreements to ensure that jobs that will be created will adhere to quality standards.

A good example comes from the Offshore Wind High Road Training Partnership (HRTP). This project, which seeks to fill workforce training needs and identify employment opportunities of the nascent offshore wind industry in California, is focused on forging the partnership infrastructure to co-manage both the quality and access to jobs in a sector where the technology to be used is still being demoed, and legal-jurisdictional hurdles still being overcome. The demonstration project, CADEMO, is not anticipated to be operational until 2027. Specific activities include building consensus for project labor and community benefits agreements.

Here, importance of Workforce Standards and Sector Strategies become especially key—as these interventions hinge on planning to meet market demand with quality jobs in the future.

#### Lifting All Workers to the High Road

Finally, all CWDB programs and efforts emphasize a type of supply-side intervention that centers on equity by focusing supportive services and training on individuals who are the most structurally disadvantaged.

Programs that focus on aiding the most barrier-facing populations, include Breaking Barriers, Prison to Employment, and Helping Justice-Involved Reenter Employment (HIRE). Here, individuals who have faced incarceration, homelessness, and other substantial barriers are treated with a whole-person approach that emphasizes addresses all needs in an individual's situation to find them employment in a high-quality job.

A related focus of data efforts is to capture the interim and pre-employment gains (stable housing, financial literacy) that are necessary prerequisites to meaningful job seeking. It is also visible in the emphasis of the MC3 curriculum on literacy and mathematical education that ensure all participants gain an equal starting-place, overcoming inequities in prior education received.

Supportive services represent an especially key strategy here. Barrier-facing participants are likely to require assistance with needs adjunct or prior to looking for a job: having stable housing; a way to get to and from work or job training; legal assistance; as well as access to childcare, are key considerations for those who have faced extreme poverty and/or recent incarceration, homelessness, or other challenges.

All CWDB programs lift the most barrier-facing workers to the High Road vision.

#### **Policy Objectives**

California intends to use the high road workforce development agenda identified above, to advance progress on three main policy objectives. These objectives impact both state-level policy and administrative practices across programs, as well as local policy and service delivery.

Fostering demand-driven skills attainment: Workforce and education programs need to align program content with the state's industry sector needs so as to provide California's employers and businesses with the skilled workforce necessary to compete in the global economy.

Enabling upward mobility for all Californians: Workforce and education programs need to be accessible for all Californians, especially populations with barriers to employment, and ensure that everyone has access to a marketable set of skills, and is able to access the level of education necessary to get a good job that ensures both long-term economic self-sufficiency and economic security.

Aligning, coordinating, and integrating programs and services: Workforce and education programs must economize limited resources to achieve scale and impact, while also providing the right services to clients, based on each client's particular and potentially unique needs, including any needs for skills-development.

#### **Fostering Demand-Driven Skills Attainment**

California recognizes the critical importance of improving the workforce and education system's ability to meet the skill demands of employers in industry sectors that are driving regional employment. This includes identifying opportunities to move workers up a career ladder using targeted incumbent worker training while also moving new hires into jobs using strong employer engagement practices, relevant training investments, and supportive services.

Apprenticeship is a key strategy for meeting California's workforce development needs. Governor Newsom has set an aspirational goal of 500,000 earn and learn apprenticeships in California by 2029. To reach the goal, the state must re-examine how state-approved apprenticeships are developed, approved, and executed, and must ensure that employers, apprenticeship training providers, and the workforce system are aligned. Integral to meeting this goal, the state will need to continue focusing on addressing gender imbalance in the building trades, as well as increase its focus on opportunity youth (especially youth who are or have been in the foster care or juvenile justice systems, or are homeless or housing insecure) and creating greater access to apprenticeship and pre-apprenticeship programs for these populations.

It is important to note that an apprenticeship is a job; therefore, to create an apprenticeship, an employer must be willing to hire *and train* a worker in a structured program, while also paying livable wages. While federal and state funds can cover some of the expenses for establishing new earn-and-learn opportunities, the costs of on-the-job training (in non-construction

apprenticeship training) are primarily borne by the employer in the form of wages paid. Therefore, any effective strategy for scaling apprenticeship must put industry at the center.

California will continue to invest in existing successful programs that have achieved a co-equal and successful labor-management approach in order to scale them up, while also creating new programs that involve meaningful partnerships between employers, workers, and the workforce system that treat each partner fairly.

# **Enabling Upward Mobility for All Californians**

California believes that diversity is a strength, and advancing equity is an economic and moral imperative. Creating a workforce and education system that provides upward mobility for all Californians benefits the economy and fulfills the state's promise to recognize the ability of everyone who lives in California to participate and thrive in the workforce. To ensure that everyone has access to a marketable set of skills and the level of training necessary to get a quality job that provides long-term economic security and self-sufficiency, the services provided must be centered on each individual's unique needs.

For some individuals served by the workforce system, especially dislocated workers with an indemand skillset, finding a good job may require only access to information about which employers are hiring in their Local Area or region. However, the state recognizes that individuals with significant barriers to employment may need multiple interventions and access to a variety of services provided over an extended period of time in order to find and enter a good job.

In alignment with the Governor's priorities, California will continue to support the provision of wraparound services for individuals with barriers to employment, with an increased emphasis on the following populations:

#### **Immigrants**

Immigrants, regardless of status, contribute significantly to California's robust and growing economy. Immigrants comprise over one third of California's workforce and undocumented immigrants represent one in ten of California's workers. <sup>44</sup> However, immigrants are particularly vulnerable to experiencing increased barriers to economic opportunity, such as language access, childcare and transportation services, work authorization requirements, and the cultural competency of staff. Consequently, the state workforce and education system must acknowledge, value, and invest in the full potential of the immigrant community by expanding investments in education, workforce, and supportive services that are open to everyone, regardless of status.

#### Justice-Involved

California releases approximately 40,000 people from the state prison each year, a portion of whom have received in-prison job-training rehabilitative services. Individuals involved with the justice system face significant barriers obtaining economic mobility and can benefit from increased collaboration between the education, training, workforce development, and

<sup>&</sup>lt;sup>44</sup> Joseph Hayes and Laura Hill. <u>Undocumented Immigrants in California</u>. Public Policy Institute of California.

community-based systems to enhance reentry employment opportunities. While there is some, often informal, coordination between the corrections and workforce system, a formal and sustained relationship is needed to better integrate services operating in isolation, and to fill gaps and provide holistic and long-term outcomes to reduce recidivism.

### Homeless or Housing-Insecure

California is facing a homelessness epidemic across the state; in fact, homelessness in California impacts every region and county of the state, regardless of its characteristics (i.e., rural, suburban, urban). It is also crucial that the state acknowledges that housing insecurity and homelessness intersect with all other barriers, and even exasperate disparities amongst highly-barriered populations. For instance, youth that identify as Black and Indigenous People of Color (BIPOC) and those who identify as lesbian, gay, bisexual, transgender, or questioning (LGBTQIA+) experience some of the highest rates of homelessness. <sup>45</sup> Additionally, the 2022 Homeless Point-in-Time Count report, which is published annually by the federal department of Housing and Urban Development, stated a particularly large increase in the share of Californians experiencing homelessness who are Latinx. <sup>46</sup> Racial disparities reflect both past and present policies that have created educational, housing, economic, and health barriers for people of color, all of which directly impacts an individual's ability to obtain and sustain stable, affordable housing.

In July of 2023, the California Budget and Policy Center released a report <sup>47</sup> which indicated that evidence-based interventions include affordable housing, supportive services, rental assistance, and eviction prevention. While additional state resources have been allocated to stem the increase in homelessness, opportunities to deliver a comprehensive cross-system response remain. For people experiencing or at risk of homelessness, creating a continuity of services between workforce and Continuum of Care (CoC) programs <sup>48</sup> could provide the critical link necessary for long-term stability and success.

#### Youth

The California unemployment rate in 2023 among youth ages 16 to 19 is roughly 14 percent, and 8 percent amongst youth ages 20 to 24. For youth with multiple barriers to employment, this puts them at even greater risk of poverty and widening income inequality.

WIOA expresses an important intention to focus on the most disconnected youth and young adults. Unfortunately, the construction of the law and resulting interpretations create distinctions (i.e., in-school youth vs. out-of-school youth) not reflected in the lived experiences of young people. These distinctions force youth and young adults most likely to leave high

<sup>&</sup>lt;sup>45</sup>National Network for Youth. *LGBTQ+ Youth Homelessness*.

<sup>&</sup>lt;sup>46</sup> Davalos, Monica. <u>Homelessness in California: A Statewide Challenge</u>. California Budget and Policy Center.

<sup>&</sup>lt;sup>47</sup> Ibid.

<sup>&</sup>lt;sup>48</sup> The <u>US Department of Housing and Urban Development</u> defines CoC programs as those that are designed to promote communitywide commitment to the goal of ending homelessness by providing funding for efforts by nonprofit providers and state and local governments, as well as promoting access to, and effective utilization of, mainstream programs by homeless individuals and families.

school before earning a diploma, or otherwise become disconnected, to leave the one place we want them to be, school, before they are eligible for these services.

In 2020, 11 percent of California's youth ages 16 to 24 (roughly 535,000 youth) were disconnected from school. <sup>49</sup> Youth of color become disconnected (i.e., they are not attending school or working) at higher rates than white youth due to disparities in school and neighborhood poverty rates, which are the primary contributors to disconnection. Students of color are more likely to attend high-poverty schools and live in areas with concentrated poverty because of historical racial segregation and discriminatory housing, banking, and hiring practices. <sup>50</sup>

Because of this, the state is continuing to work on updating and creating policies which are less reactive, and prioritizing proactive solutions for youth at the highest risk of imminent education and workforce disconnection, including those involved with the foster care and justice systems and those experiencing homelessness, despite the tight correlation between system-involvement and early school departure, adult justice system engagement, and homelessness. <sup>51</sup>

Culturally competent interventions, trauma-informed care, and a whole-person or family approach to system alignment across all safety-net programs presents a clear opportunity for effectively reducing disparities among youth. Additionally, systems of care must be responsive to the diverse emotional, psychosocial, and behavioral needs of youth, especially those who have interacted with multiple systems (e.g., foster care, juvenile justice) to increase the likelihood of positive employment outcomes and to effectively begin to tackle generational poverty.

#### Aligning, Coordinating, and Integrating Programs and Services

California has dedicated a significant amount of time and resources toward strengthening the alignment in its workforce and education programs through creation and implementation of interagency partnerships between the large numbers of different state agencies that oversee WIOA programs. The main purpose of establishing these collaborative partnerships at the state level is to help support and encourage further alignment of the workforce and education systems at the regional and local level. California believes that creating alignment at the state level through interagency partnerships is an integral part of achieving scale and impact on the ground. The purpose of having routine discussions is to identify and address any unintended barriers that may exist between the various systems and ensure equitable access to services for all Californians.

<sup>&</sup>lt;sup>49</sup> Malka, Ari & Sainz, Robert. 2022 California Opportunity Youth Data Report: An Updated Analysis of California's Opportunity Youth.

<sup>&</sup>lt;sup>50</sup> National Equity Atlas. <u>Disconnected Youth: All Young People Should be Educated, Healthy, and Ready to Thrive in</u> the Workforce.

<sup>&</sup>lt;sup>51</sup> California Opportunity Youth Network. *Eliminating Barriers to WIOA Services for Systems-Involved Youth*.

These partnerships mobilize existing resources and expertise within respective agencies to advance regional collaboration efforts and service delivery efficiency and alignment. The partnerships address multi-faceted challenges and streamline the workforce development and education system to increase coordination and collaboration of policy development and implementation between state agencies. The interagency partnerships bridge connections for respective regional and local entities to initiate conversations, synchronize service provisions and delivery, and leverage available resources to its full potential.

The CWDB will achieve collaboration and coordination in service delivery through partnership agreements established with the following WIOA core, required, and strategic plan partner agencies:

- Title II Department of Education
- Title IV Department of Rehabilitation
- Senior Community Service Employment Program Department of Aging
- Carl D. Perkins V Program State Board of Education, Department of Education, and California Community Colleges Chancellor's Office
- Temporary Assistance for Needy Families and Supplemental Nutrition Assistance Programs - Department of Social Services
- Child Support Department of Child Support Services
- Corrections Workforce Programs Department of Correction and Rehabilitation and California Prison Industry Authority
- Competitive Integrated Employment Department of Education, Department of Rehabilitation, and Department of Developmental Services

### **Assessment**

#### **CWDB Approach to Assessment and Evaluation**

CWDB's approach to evaluation includes both in-house assessment of grant programs and contracted evaluation work.

The broad questions that all CWDB assessments and evaluations seek to answer are:

- 1. Are the workforce development trainings provided through the different CWDB grants and programs effective overall and for various sub-populations?
- 2. Do participants in workforce development trainings provided through the different CWDB grants and programs have their outcomes improved when it comes to employment and wages?

Whether the assessment is conducted by third-party evaluators or by CWDB research specialists, the general approach taken to answer the above questions is to undertake both quantitative and qualitative analyses, applying the most appropriate research design using a mixed-methods statistical approach that involves a combination of in-depth interviews, surveys, document analysis, and inferential statistics.

Additionally, the CWDB research team has had in-depth and ongoing conversations with the Labor and Workforce Development Agency (LWDA) regarding the common evaluation framework, including incorporating the Learning, Evaluation, Analysis, and Data (LEAD) principles within all of the CWDB research and evaluation framework. The LEAD coordination between CWDB and LWDA has produced promising results, clarifying and streamlining our shared effort toward new and improved data reporting systems. Also, the CWDB research team has been extensively involved in the data collection and reporting processes and procedures including within all CWDB grant work.

# **State Strategy: Seven Strategies to Realize High Road Interventions**

To ensure ongoing alignment between the various government agencies that are responsible for administration of the state's workforce and education system, the CWDB and its state partners will utilize the following seven strategies to frame, align, and guide program coordination at the state, regional, and local levels.

## **Policy Strategies**

- 1. Sector Strategies
- 2. Career Pathways
- 3. Regional Partnerships
- 4. Earn and Learn
- 5. Supportive Services
- 6. Creating Cross-System Data Capacity
- 7. Fostering Workforce Standards

These seven policy strategies are evidence-based and have been shown to ensure effective delivery of services and increase the likelihood that those who receive services obtain gainful employment. The information below provides the overarching policy rational for each of the strategies. Concrete examples of how the strategies will be implemented throughout the state will vary from partner to partner. For that reason, California chose to establish bilateral partnership agreements among WIOA core and required program partners, such as vocational rehabilitation and adult education, which detail concrete goals associated with each of the strategies. Those objectives are outlined under the operational elements portion of the plan.

California will use vehicles such as the partnership agreements, joint taskforces, joint listening sessions, joint policy development, and ongoing conversations to ensure that the strategies identified are implemented in a way that provides integrated access to our shared customers—people with disabilities, formerly incarcerated, veterans, immigrants, refugees, foster care youth, etc.

### **Sector Strategies**

Sector strategies are policy initiatives designed to promote the economic growth and development of a state's competitive industries using strategic workforce investments to boost labor productivity. The strategic focus is on prioritizing investments where overall economic

returns are likely to be highest, specifically in those sectors that will generate significant gains in terms of jobs and income.

Sector strategies seek to align interests of workers and industry, starting from "the assumption that there are efficiencies to be gained from collectively addressing the common skills needs of similar employers within an industry sector." <sup>52</sup>

This alignment restores policy connection between economic development (e.g., regional job creation) and workforce development (regional skill development pathways) in a manner that addresses both the needs of workers for training for quality jobs, and employers for a skilled workforce. This is particularly necessary in the contemporary context of a "fissured" labor market no longer characterized by vertically integrated firms (e.g., one firm manufacturing all components of a final product), but rather multiple firms producing component parts; sector strategies "increase coordination efficiencies to ensure that employers have access to skilled labor, and bring in worker input in a centralized manner." <sup>53</sup>

Targeting the right sectors is essential and requires that policy makers use economic and labor market data to determine which industry sectors are best positioned to make gains if investments in workforce development are made. Investment decisions are typically also contingent on the degree to which a sector faces critical workforce supply problems, for example, whether the industry faces or will face a shortage of skilled workers in a particular occupation, whether these shortages are a consequence of either growth or retirements. This focus is reflected in the work of High Road interventions of the four flavors described above, in relation to industry need.

A key element of sector strategies is the emphasis on industry and sector partnerships. These partnerships bring together multiple employers within a sector to find shared solutions to their common workforce problems. When done successfully, sector strategies can lead to mutually beneficial outcomes for business, labor, and the state by increasing competitiveness and growth, improving worker employability and income, and reducing the need for social services while also bolstering government revenues generated by both business and workers. Work by the University of California, Los Angeles Labor Center comparing traditional sector strategies with High Road projects finds important ways in which the latter are unique: first, High Road sector strategies also focus explicitly on partnering with proven "high-performance" employers, who are distinguished by their positive employment practices. <sup>54</sup>

Additionally, HRTPs are distinguished by "regional cross-cutting partnerships with open-ended planning agendas that bring employers, workers, labor-market intermediaries, educational

<sup>&</sup>lt;sup>52</sup> Microso<u>ft Word - Sector Strategy Final Report March 2017.docx (utexas.edu)</u>

<sup>&</sup>lt;sup>53</sup> UCLA Labor Center. "HRTPs: A Unique Sector Strategy".

<sup>&</sup>lt;sup>54</sup> High Road Training Partnerships | CWDB (ca.gov)

institutions and other community organizations to build collective capacity for sustainable, long-term regional social change across multiple policy domains." <sup>55</sup>

Crucially, High Road sector strategies also involve workers in a governance and design role in workforce development (training, etc.) to ensure both presence of worker voice, and that projects benefit from accumulated worker wisdom. <sup>56</sup>

### **Career Pathways**

Career pathways are designed to facilitate incremental and progressive skills attainment over time, in clearly segmented blocks, such that those who move through the pathway obtain education or training services built on the foundation of prior learning efforts. The objective is to provide a packaged skill set which has demonstrable labor market value at each stage of the learning process. Key elements of successful pathway programs include the following:

- Varied and flexible means of entry, exit, and participation through multiple "on and off ramps" and innovative scheduling practices.
- Entry and exit points are based on student, worker, or client needs as well as educational or skill levels, allowing those with different skill levels to participate where appropriate.
- Flexible exit allows those who cannot complete a longer-term program the ability to build longer term skills through short term serial training efforts.
- Pathways programs are characterized by a high degree of program alignment and service coordination among relevant agencies, which can typically include adult education and basic skills programs, community colleges CTE programs, high school CTE programs, workforce development board programs, as well as social services agencies.
- The receipt of industry-valued credentials at each stage of training.
- Employer engagement to ensure that training and education are relevant to the labor market.

The existence of a career pathway also impacts the quality of a job: Low pay at entry level may be acceptable if a viable pathway allows an entrant to progress to a better-paying occupation in a defined amount of time. For example:

Some innovative strategies seek to address issues of blocked access and mobility by convening employers and educational institutions to create pathway programs into nonclinical and clinical positions. For instance, the Shirley Ware Education Center, which is an affiliate of the Service Employees International Union (SEIU)-United Healthcare Workers (UHW) and Joint Employer Ed Fund, has created a pre-apprenticeship program for incumbent environmental services (EVS) and food service workers and provide access for underrepresented populations to enter the healthcare industry. The training program, which has received funding under the California Workforce Development Board's High Road Training Partnerships Initiative, will eventually lead

<sup>56</sup> Ibid

<sup>55</sup> Ibid

to a registered apprenticeship for nonclinical incumbent workers to transition into clinical positions.

Meanwhile, the <u>Center for Caregivers Advancement</u> (CCA), in partnership with a set of Skilled Nursing Facility employers, as well as the Healthcare Career Advancement Program (HCAP) National Committee on Healthcare Apprentices (NCHA), is pioneering two apprenticeship programs to address both job quality and mobility issues experienced by workers in Skilled Nursing Facilities, including an apprenticeship program for Certified Nursing Assistants as well as a second program to enable incumbent CNAs to transition into higher-paying Licensed Vocational Nurse positions, via provision of on-the-job training and wraparound services while participants study to attain the licensure.

Career pathways programs are particularly useful in serving populations with barriers to employment because they can be packaged in a way that responds to population needs. Combining career pathway programs with sector strategies has the potential to help move populations with barriers to employment into the labor force while also meeting employer's workforce needs, by providing disadvantaged individuals with a tangible and marketable skillset that is in-demand. For example, apprenticeships can provide industry-driven, high-quality career pathways where employers can develop and prepare their future workforce, and individuals can obtain paid work experience, classroom instruction, and a portable, nationally recognized credential.

### **Regional Partnerships**

Labor markets and industry are both organized regionally. Organizing workforce and education programs regionally increases the likelihood that workforce and education programs can be aligned to serve the needs of labor markets. Regional organizing efforts should aim for the development of value-added partnerships that not only help achieve the policy goals of the partnership but also help partners achieve their organizational goals.

Regional partnerships can be mutually beneficial when they are set up to leverage each partner program's core competencies and subject matter expertise. When shaped in this manner, regionally organized programs economize the use of scarce resources, while also allowing program operators to take programs to scale, reduce administrative costs, and package and coordinate services on the basis of specialization.

The objective of regional organizing efforts is not to create monolithic one-size-fits-all uniform workforce and education programs, but rather to coordinate service delivery on the basis of program strengths while also aligning partner programs with each region's particular labor market needs. The exact manner in which these partnerships come together will vary from region to region based on the unique set of circumstances that shape each region's workforce needs.

A good example of regional partnerships can be found in the High Road Construction Careers (HRCC) initiative. HRCC supports 13 regional partnerships covering every county in the state.

Each regional HRCC includes community-based organizations, colleges, workforce boards, joint apprenticeship programs, and local building trades councils. These partnerships provide apprenticeship readiness training and supportive services that connect underserved communities with state-certified apprenticeship programs in the building and construction trades.

#### **Earn and Learn**

Earn and learn policies are designed to facilitate skills attainment while also providing those participating in these programs with some form of compensated work experience, allowing them to "earn" income while they "learn" to do a job. Because many WIOA customers have barriers to employment and cannot afford to attend an education or training program full time because time spent in the classroom reduces time that can be spent earning income, earn and learn opportunities are an important strategy for success.

These programs include, but are not limited to, the following:

- Apprenticeships
- Pre-apprenticeships
- Incumbent worker training
- Transitional and subsidized employment
- Paid internships and externships
- Project-based compensated learning

The principles of earn and learn are broad enough to allow for flexible program design. As such, programs may be customized to serve clients on the basis of their given level of skills and their particular educational or training needs. Transitional and subsidized employment programs can be used to provide work experience to those who have none, facilitating the hiring of individuals that employers might not otherwise employ. Incumbent worker training serves the purpose of keeping the state's workforce productive and its businesses competitive. Similarly, pre-apprenticeship and apprenticeship programs can provide access to formal skills training opportunities in a variety of occupational fields that typically provide good wages and a middle-class income.

#### **Supportive Services**

Evidence suggests that skill-training programs accrue substantial and long-term benefits to jobseekers, particularly to women, low-skilled workers, workers with an outdated skill set and workers with other barriers to employment. However, many of the clients served by the state's workforce and education programs face barriers to employment that also undermine their ability to complete a training or educational program which could help them upskill or reskill in a manner that increases their labor market prospects. Individuals often need access to a broad array of ancillary services in order to complete training or education programs and successfully enter the labor market.

Supportive services provided through the state's workforce and education programs include everything from academic and career counseling, to subsidized childcare and dependent care, to transportation vouchers, to payment for books, uniforms, and course equipment, to

substance abuse treatment, as well as benefits planning and assistive technology for people with disabilities. Supportive services may also include licensing fees, legal assistance, housing assistance, emergency assistance, and other needs-related payments that are necessary to enable an individual to participate in career and training services.

The combination of supportive services provided should depend on each individual's needs, background, capabilities, and limitations, as well as the eligibility criteria for various programs. The exact menu of services offered to program participants will vary from region to region and locality to locality, and must be centered on what is best for the individual.

#### **Cross-System Data Capacity**

Part of implementing the vision outlined above is a revisiting of data systems and measures. Inherited systems and measures in CalJOBS are focused on the individual-level intervention model introduced by the Workforce investment Act (1998). Such measures assume (1) the unemployed individual as the object of intervention and (2) job placement as the outcome goal.

Measuring efficacy of the interventions described above requires developing new measures and sources of data. For instance, many workers in projects focused on professionalizing service work incumbent. Also in these sectors, employer compliance with labor standards (health and safety, scheduling, and rest periods) may be as salient in measuring the quality of work as pay alone.

SB 755 (Stats. 2022. Chap. 815 [codified at Unemployment Insurance Code section 14017.1]) requires the Employment Development Department (EDD) and California Workforce Development Board (CWDB) to work collaboratively to consider how to measure, analyze, and report on employment and earning outcomes for individuals receiving job training services provided through the workforce system, whether funds for these services derive from the state or through Title I of the federal Workforce Innovation and Opportunity Act. The report, including implementation outline and resource needs, will be finalized in early 2024.

#### **CAAL-Skills**

<u>Cross-Systems Analytics and Assessment for Learning and Skills Attainment (CAAL-Skills)</u> is an interagency and multi-departmental data-sharing and program evaluation initiative that uses detailed information from federal and state-funded workforce, education, and human services programs to measure participation and associated outcomes for program participants.

CAAL-Skills is an unprecedented data effort that facilitates analysis by both internal and external researchers of federal and state workforce and educational programs. CWDB utilizes data in CAAL-Skills both to develop public dashboards and to enable contracted <u>evaluation of workforce programs</u>.

Because it serves as a repository for multiple workforce programs' data, CAAL-Skills may also play an important role in the SB 755 effort.

Through investments in the <u>CAAL-Skills workforce data governance system</u>, a <u>study led by CPL</u> and published in August 2022, provides causal impact analysis for six out of ten job training programs included in the CAAL-Skills data and evaluation system. Analysis suggests these six programs either met targets for increasing employment and earnings; met targets for employment but not earnings. (For the remaining four, research design was not able to provide evidence of impact).

In the 2.0 evaluation, research design will undergo refinements to include analysis of equity impacts, better capture impacts based on specific programs' objectives, include specific focus on cohorts served during the COVID-19 shock and recovery, as well as adjusting research design for those programs that could not initially be evaluated as well as broadening scope of included workforce programs.

It is also foreseen that work will be performed, with an academic partner, to define a California "living wage". This work will make it possible to evaluate the number of workforce trainees who achieve not just employment, but employment at a level that allows for quality of life.

### Development of State Grant Data Solution (SGDS) Pilot Measures

In 2022, CWDB research staff developed SGDS, an excel-based data reporting tool with a set of variables (participant information, services, outcomes) that more comprehensively captures the interventions made by all our programs.

SGDS follows the "lifecycle" of a grant participant and expands data collected to ensure relevance to CWDB programs. Specific examples of expanded measures include measures for incumbent gains; inclusion of pre-employment "milestone" measures to capture gains (stable housing, literacy) that are prerequisite to employability; expansion of information on types of training; and questions surrounding employer benefits provided.

Independent of participant-level reporting, CWDB is also exploring the availability and potential uses of information at the employer-level that could be used to measure the quality of employment practices (labor law compliance, labor relations, etc.).

### Developing system-level measures (UCLA Labor Center High Road Evaluation)

UCLA researchers are conducting Theory of Change exercises with grantees and have performed listening sessions with local boards, to understand both (1) the intended intervention of each project and (2) how these participant-serving entities currently collect data and measure success, to understand where state systems may stand to gain from their experience.

An intended deliverable in the UCLA High Road Evaluation is improved system-level measures, including employer-level, industry-level, and climate impact.

Researchers have also reviewed grantee narrative reports, producing recommendations for achieving more comprehensive qualitative information, including soliciting information about participant quality of life gains, and on employer practices, as well as feedback concerning the

time frame in which data are collected. Based on this analysis and on the Theory of Change exercises, researchers are developing questions to get at such difficult-to-measure outcomes as: attitudinal change in employers, progress toward equity and job quality, and climate. Further, researchers have performed Industry Analyses to identify the common characteristics and challenges that unite High Road projects within specific sectors (refining the typology introduced above).

Both sets of activities will ultimately culminate in improved measures, especially system-level outcomes.

An interim report with preliminary findings is expected in early 2024.

# Partnering Toward a Data System Transition

CWDB has been in meetings with developers for the transition to a Salesforce-based data system for state-funded grant programs.

CWDB has been managing the transition with stakeholder input, through a combination of stakeholder meetings with a diverse sample of system users that includes Local Boards and CBOs. Stakeholder meetings have been ongoing since summer 2023. CWDB staff also presented on the transition at the CWA Meeting of the Minds conference in September 2023 in Monterey, CA.

A beta version of the Salesforce program is anticipated to be ready for alpha testing in late November of 2023, and operational by December of 2023.

# **Quantifying System-Level Environmental Impacts**

A final area in which CWDB is pursuing the development of measures is in the quantification of environmental impact.

With the insight that environmental benefits are a public good, CWDB has been exploring ways in which the benefits from our programs can be captured and measured. Here, too, CWDB embraces a partnership-based approach, learning from grantees (for example, quantifying the energy savings to buildings employing janitors certified in green product use and measuring agricultural waste reduction) and the fruits of ongoing program evaluation.

CWDB is working actively toward developing improved methods of capturing the environmental benefit of workforce programs.

#### **Workforce Standards**

Workforce Standards are demand-side mechanisms or "levers" that can be broken down into standards of pay, skill, and access or inclusion.

An example of a pay standard is prevailing wage, a requirement in California attached to hiring for public works projects. Published pay levels ensure that contractors on these projects pay workers at a defined level.

Workforce standards also include skill certifications, educational credentials, licenses, and other skill standards for specific occupations or tasks comprise a second type of labor standard. Many industries require skill certifications to obtain a license in order to legally practice an occupation, from highly educated professionals like architects and engineers, to technical occupations requiring more limited postsecondary education, such as dental assistants and transit drivers. Even when not legally required, "industry-recognized" skill certifications demonstrate a worker's competence and value to their employer and usually command higher wages. When skill certifications are required or expected as a prerequisite for certain occupations or major tasks, it provides a signal to the training and education community about what skills are needed and valued in the labor market. In addition to signifying competence in the tasks needed for performance, skill standards include proficiency in consumer and occupational safety protocols. <sup>57</sup>

In High Road projects, skill standards frequently seek to embed recognition of environmentally protective or climate impact mitigating skills as the source of the "value add" to consumers and employers (for instance: end-use consumers of agricultural products; building owners and managers employing janitors).

Two good examples of this come from HRTP projects in agriculture and janitorial services, respectively. In the former, certification in agricultural waste reduction is being piloted; in the latter, janitorial workers are certified in use of green cleaning products and practices. In both cases, a skill standard (formalized via a certification) is being created and promulgated whose content is workers' knowledge of green skills and procedures. For entities (farms or building owners) who may seek to employ certified workers, the incentives include meeting state or local climate target measures and/or consumer recognition.

Finally, workforce standards extend to levers which intervene in equity of job access. These are primarily Community Workforce Agreements, and Community Benefits Agreements.

Community Workforce Agreements (CWAs) are a variant of Project Labor Agreements (PLAs), which are pre-hire collective bargaining agreements with one or more labor unions setting the terms and protocols of project execution and worksite conditions. CWAs often set hiring targets for underrepresented groups. These "targeted" or "local" hire provisions typically include requirements to hire a certain minimum percentage of workers from zip codes that are near the project (known as "local hire") and/or from economically disadvantaged communities.

Many CWAs also set hiring goals for underrepresented populations, veterans, and/or women, often by giving preference to graduates of pre-apprenticeship programs that target historically excluded groups. and prohibiting work stoppages due to labor disputes. Examples from CWDB work include the work to foster CWAs for pre-apprentices enrolled in the HRCC program, to drive demand for workers of color and women.

<sup>&</sup>lt;sup>57</sup>Putting California on the High Road: A Jobs and Climate Action Plan for 2030 (berkeley.edu), Chapter 2, "Demand Side Workforce Policy Levers," p. 71.

Community Benefits Agreements are agreements between community stakeholders and a business bidding for a public contract which provides a variety of local employment and community benefits in exchange for community support for the project. Many Community Benefits Agreements are negotiated with a developer by broad-based local coalitions that include community, environmental, and religious organizations as well as labor unions. Though legally binding, Community Benefits Agreements are not traditional collective bargaining agreements.

An example from CWDB comes from the offshore wind energy project, where a Community Benefits Agreement is being negotiated with the local Chumash tribe to ensure benefits for the community and a place at the table, as the offshore wind energy project comes to fruition.