



# **Unified Strategic Workforce Development Plan**

## **Program-Specific Requirements for Title I Programs 2024-2027**

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

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## **Program-Specific Requirements for Title I Programs**

### **Regions and Local Workforce Development Areas**

Below is a list of California's 45 Local Workforce Development Areas (Local Areas) / Local Workforce Development Boards (Local Boards) and the 15 Regional Planning Units (RPU) they fall under.

#### ***Bay Peninsula RPU***

- North Valley Job Training Consortium (NOVA)
- San Francisco County Workforce Development Board
- San Jose-Silicon Valley (work2future)

#### ***Capital RPU***

- Golden Sierra Workforce Board
- North Central Counties Consortium
- Sacramento Employment and Training Agency
- Yolo County Workforce Innovation Board

#### ***East Bay RPU***

- Alameda County Workforce Development Board
- Oakland Workforce Development Board
- Contra Costa County Workforce Development Board
- Richmond Workforce Development Board

#### ***Inland Empire RPU***

- Riverside County Workforce Development Board
- San Bernardino County Workforce Development Board

#### ***Los Angeles Basin RPU***

- Foothill Workforce Development Board
- Pacific Gateway Workforce Development Board
- City of Los Angeles Workforce Development Board
- Southeast Los Angeles County Workforce Development Board (SELACO)
- South Bay Workforce Investment Board
- Verdugo Workforce Development Board
- Los Angeles County Workforce Development Board

#### ***Middle Sierra RPU***

- Mother Lode Workforce Development Board

#### ***North Bay RPU***

- Sonoma County Workforce Investment Board
- Workforce Alliance of the North Bay
- Workforce Development Board of Solano County

#### ***North Central Coast RPU***

- Monterey County Workforce Development Board

- San Benito County Workforce Development Board
- Santa Cruz Workforce Development Board

***North Coast RPU***

- Humboldt County Workforce Development Board

***North State RPU***

- Northern Rural Training and Employment Consortium Workforce Development Board (NoRTEC)

***Orange RPU***

- Anaheim Workforce Development Board
- Orange County Workforce Development Board
- Santa Ana Workforce Development Board

***San Joaquin Valley and Associated Counties RPU***

- Fresno Regional Workforce Development Board
- Kern, Inyo, & Mono Workforce Development Board
- Kings County Workforce Development Area
- Madera County Workforce Development Board
- Merced County Workforce Development Board
- San Joaquin County Workforce Development Board
- Stanislaus County Workforce Development Board
- Workforce Investment Board of Tulare County

***South Central Coast RPU***

- San Luis Obispo County Workforce Development Board
- Santa Barbara County Workforce Development Board

***Southern Border RPU***

- Imperial County Workforce Development Board
- San Diego Workforce Partnership

***Ventura RPU***

- Ventura County Workforce Development Board

## **Local Area Designation**

As outlined in Workforce Services Directive [WSD22-14](#), the Governor is required to approve a request for subsequent designation from a Local Area if the Local Area performed successfully, sustained fiscal integrity, and engaged in the regional planning process. The state provided definitions of the required criteria and established an application process for Local Areas to obtain subsequent designation for Program Years (PY) 2023-24 and PY 2024-25.

### ***Definitions***

- **Membership:** The Local Board is in compliance with the membership requirements outlined under WIOA Section 107(b).
- **Performed Successfully:** The Local Area has an Individual Indicator Score of 50 percent or higher in PY 2020-21 and 2021-22 for the following primary indicators of performance:
  - Employment Rate 2<sup>nd</sup> Quarter After Exit
  - Median Earnings
- **Sustained Fiscal Integrity:** The Local Area has not been found in violation of one or more of the following during PY 2020-21 or PY 2021-22:
  - Final determination of significant finding(s) from audits, evaluations, or other reviews conducted by state or local governmental agencies or the Department of Labor identifying issues of fiscal integrity or misspent funds due to the willful disregard or failure to comply with any WIOA requirement.
  - Gross negligence – Defined as a conscious and voluntary disregard of the need to use reasonable care, which is likely to cause foreseeable grave injury or harm to persons, property, or both.
  - Failure to observe accepted standards of administration – Local Areas must have adhered to the applicable uniform administrative requirements set forth in Title 2 CFR Part 200.
- **Engaged in Regional Planning:** The Local Area has participated in and contributed to regional planning, regional plan implementation, and regional performance negotiations.

### ***Application***

For a Local Area to request subsequent designation and a Local Board to request recertification, the local Chief Elected Official (CEO) and the Local Board Chair completed and signed a Local Area Subsequent Designation and Local Board Recertification Application for PY 23-25. The completed application was submitted to the CWDB, which worked with the EDD to verify the information provided and recommend approval or denial of the application to the Secretary of Labor and Workforce Development. The local CEO was notified in writing of the approval or denial of their application.

### ***Appeals Process***

#### ***Subsequent Designation***

As outlined in Workforce Services Directive WSD22-14, a unit of local government (or a combination of units) that has requested and been denied subsequent designation as a Local Area under WIOA may appeal the denial to the CWDB, pursuant to WIOA Section 106. An entity

denied subsequent designation may appeal the decision and request a hearing.

An appeal and request for a hearing must be emailed to the CWDB within 15 calendar days from the email date of the notice of denial of initial designation.

The appeal must state, in writing, the following:

- Grounds for the appeal.
- Reasons why the appellant should be designated.

The CWDB will contact the appellant to schedule a hearing date within 15 calendar days of the receipt of the appeal. The CWDB will conduct the appeal hearing and provide a written decision to the appellant no later than 15 calendar days after the hearing. A unit or combination of units of local government whose appeal has not resulted in designation as a Local Area may also appeal the denial to the Department of Labor.

### ***Infrastructure Funding Agreement***

As outlined in [Workforce Services Directive WSD18-12](#), if a Local Area is unable to reach an agreement regarding joint infrastructure costs with any of their America's Job Centers of California<sup>SM</sup> (AJCC) partners, they must notify the state annually by April 1 to trigger the State Funding Mechanism (SFM). Once the notification has been received, the CWDB will initiate a process to determine each AJCC partner's contributions to infrastructure costs in the Local Area for that program year under the SFM. The process will include all appropriate state-level authorities to enact the SFM.

All AJCC partner programs and/or the Local Board may appeal the SFM decision. Appeals must include justification by the program and/or Local Board and be based on believed noncompliance with WIOA Section 121(h)(3), which outlines the governor's funding allocations. All appeals must be submitted to EDD no later than thirty (30) days after receiving the SFM decision. The state will respond to the appeal no later than June 30 of that year.

### ***Process for Identifying Regional Planning Units***

While developing California's 2020-2023 Unified Strategic Workforce Development Plan (State Plan), the CWDB revisited the existing RPU framework to identify necessary adjustments based on economic or demographic changes in the period since the original 15 RPUs were first established. To assist in this process, the EDD Labor Market Information Division (LMID) conducted an updated analysis that incorporates the most recent commute pattern data from the US Census Bureau's American Community Survey and the most recent labor force and industry employment data from LMID. The results of this analysis were issued in a draft directive, and the workforce community was given 30 days to submit public comments on the proposed RPU boundaries. The final Workforce Services Directive ([WSD20-01](#)) was published on August 28, 2020.

Local Board placement within the RPUs was based primarily on the location of WIOA client populations and the way these populations fit into regional economies as defined by economic data, including commute patterns, industry composition, labor markets, geographic location, and transportation infrastructure. Boundaries of the RPUs were largely set by giving weight to



the foregoing economic data and by starting with regional economic market boundaries drawn by the EDD LMID. These regional economic market boundaries were then modified to consider the number of Local Areas in a region, the size of the area covered, and the boundaries and planning regions of existing regional workforce consortia.

The methodology of the analysis is summarized below.

### **Methodology**

The methodology for analysis consists of four parts:

- Part One – Divide California into Economic Markets and Submarkets
- Part Two – Group Counties into Preliminary RPUs Based on Commute Pattern Analysis
- Part Three – Complete Additional Analysis to Finalize Placement of Remaining Undecided Counties
- Part Four – Cross Reference Data-Driven Results with Local Area Jurisdictions

#### **Part One – Divide California into Economic Markets and Submarkets**

In 2014, the LMID divided California into economic markets and submarkets. The intent of selecting economic markets and submarkets as starting units of analysis is a foundation that is data-driven and independent of the need to account for the operational and political jurisdictions of the California workforce system.

The economic markets and submarkets identified as a result of the empirical analysis performed in 2014 have been used as a basis to analyze present commute patterns and, where necessary, additional economic factors to validate or invalidate existing RPU designations on an empirical basis.

#### **Part Two – Group Counties into Preliminary RPUs Based on Commute Pattern Analysis**

Since California has undergone economic and demographic changes in the years since the 15 RPUs were originally designated, county-to-county commute patterns within each RPU were re-analyzed using the US Census Bureau’s most recent American Community Survey data.

The present analysis begins from the unit of the county and proceeds by first identifying the county that is the commute and economic “center of gravity” of its submarket, known as the Base County. Each Base County retains (“holds”) and receives (“imports”) the largest numbers of daily commuters in comparison with the hold-import numbers of all other counties in its economic submarket. With Base Counties thus identified, the remaining counties were classified through examination of their commuter export relationships with other counties in the larger economic market region.

The taxonomy of counties and the process used for their designation is as follows:

1. Base County – A county that holds and imports more commuters than any of the other counties in a selected economic submarket.
2. More Connected County – The top export destination for these counties is inside the same economic market. This is established when the number of commuters to a

- selected county's top export destination measures more than 10 percent of the total number of commuters living and working in the selected county.
3. Less Connected County – These counties are less connected to either a Base or More Connected County in the same selected economic market and are independent (i.e., self-sustaining) in nature. This is established when the number of commuters to a selected county's top export destination measures less than 10 percent of the total number of commuters living and working in the selected county.
  4. Undecided County—The top export destination for these counties is outside the selected economic market. This creates a complex scenario that requires additional analysis of commute patterns and economic factors, such as labor market size and industry sector composition, to decide whether these counties should be moved from their current economic market and into another.

### **Part Three – Complete Additional Analysis to Finalize Placement of Remaining Undecided Counties**

Since the placement of an Undecided County could not be determined through commuter flow analysis alone, each Undecided County was subjected to additional analysis of industry composition (employment levels of major industries) and labor force size (which indicates the extent of industry and occupational diversity and/or complexity within the local economy) to determine the relative similarity of its local economy to the economies of its top commute destination counties. Additionally, with the awareness that jobs and services must be accessible to county residents, geographic proximity was taken into consideration. The purpose of analyzing these factors was to generate additional data needed to accurately place an Undecided County into a preliminary RPU.

### **Part Four – Cross Reference Data-Driven Results with Local Area Jurisdictions**

The results of the analysis in Parts Two and Three yield an up-to-date empirical picture of California's regional economic markets and submarkets and the placement of counties within them. To develop an updated RPU framework, the CWDB and the EDD also took local administrative boundaries and planning relationships into account. In particular, the results of the foregoing analysis were cross-referenced with Local Area boundaries to ensure that each Local Area is placed into only one RPU and is not subdivided in accordance with WIOA Section 106.

### **Updates for RPUs**

The findings of the LMID commute pattern were not intended to be directly prescriptive but instead to identify those regional arrangements that are data-supported and differentiate them from those that are not. Because WIOA intends RPU creation to facilitate a Local Board's ability to plan and align services, the CWDB provided the workforce community with the opportunity to provide public comment. Proposals for alternative modifications required a compelling, data-based rationale in order to be considered.

Based upon the findings of the LMID analysis and data-driven arguments received in public comment, the number of RPUs changed from 14 to 15 as a result of the following two updates:

1. The former Coastal RPU was divided into its two constituent economic submarket regions, to be known as the North Central Coast and South Central Coast RPUs.

2. The San Benito Workforce Development Board relocated from its current RPU of Bay Peninsula to join the North Central Coast RPU.

The new boundaries outlined above and in Workforce Services Directive [WSD20-01](#) went into effect on July 1, 2020.

### **Statewide Activities**

California uses WIOA Governor’s Discretionary funds to develop and fund innovative and dynamic initiatives that pilot new service delivery strategies and target specific populations throughout the state. These initiatives are aligned with the mission and direction of WIOA by assisting job seekers, especially job seekers with barriers to employment, with access to employment, education, training, and support services they need to succeed in the labor market while also matching employers with the skilled workers they need to compete in the global economy.

### **PY 2021-22 and PY 2022-23 Governor’s Discretionary Grants**

#### ***High Performing Board Certification***

As outlined in Workforce Services Directive [WSD22-11](#), the CWDB utilizes incentive funds as part of the High Performing Board certification process. The High Performing Board certification creates an incentive for Local Boards to strive to meet high-performance standards, develop strong local workforce initiatives, and establish a business service plan that creates a unified goal to provide quality services that connect workers to good-paying jobs.

California state law directs the Governor, through the CWDB, to establish standards for local boards to be certified as high-performing boards and requires recertification to occur midway through the implementation of the local and regional plans. Additionally, the Governor and the Legislature, as part of the annual budget process and in consultation with CWDB, may reserve a portion of the WIOA Governor’s discretionary funds for the purpose of providing incentive funds to Local Boards who are certified as High Performing Boards.

#### **Equity and Special Populations Grant Program (ESP)**

As outlined in Workforce Services Information Notice [WSIN 21-14](#) *ESP Grant Programs SFP – PY 21-22*, recognizing the need to accelerate equity in employment and develop innovative employment strategies for populations that face significant barriers to employment, California launched the Equity and Special Populations Grant Program (ESP). ESP supports innovative projects that increase equity, employment opportunities, and outcomes for special populations by consolidating the previous English Language Learner (ELL), Veteran Employment Assistance Program (VEAP), and Department of Aging (DEA) grant programs into one.

California made available \$11.5 million in ESP grants to design, develop, and implement projects that will create more effective linkages with California’s employer and workforce community, with a focus on high-wage, high-demand occupations for people with disabilities, veterans, ELL, justice-involved and other target populations, or geographic locations most impacted by COVID-19. The intent is to support initiatives that have the best potential to place participants into self-sufficient jobs and career pathways. These funds build meaningful and

sustainable industry investment and partnerships, provide work-based learning opportunities, increase access to quality jobs, leverage other program funding, and provide supportive services for California’s most vulnerable populations.

### **Workforce Accelerator Fund**

As outlined in Workforce Services Information Notice [WSIN 21-21](#), California made available \$10.5 million for a subsequent round of the Workforce Accelerator Fund (Accelerator 10) program to design, develop, and implement projects that accelerate employment and reemployment strategies for California job seekers. As we recovered from the COVID-19 pandemic and the economic crisis that fell hardest on the most vulnerable workers and communities, WAF sought to fund innovative approaches to improve job quality, create upward mobility, and bridge the gap between workforce programs and quality jobs for workers from disadvantaged or low-income communities in a continuing effort to build a better California for all.

The primary goals of WAF include:

- Improve labor market and skills outcomes for target groups through the development of strategies that fill gaps, accelerate processes, or customize services to ensure greater access to workforce services and employment opportunities.
- Create new models for service delivery and funding alignment that can be replicated across the state and tailored to regional needs.
- Implement, replicate, and scale successful innovations that emerged from previous WAF projects.
- Leverage state investments with commitments from industry, labor, public, and community partners.

### **Workforce Accelerator Fund 11**

As outlined in Workforce Services Information Notice [WSIN 22-15](#) *Workforce Accelerator Fund 11 – RFA*, California also made available \$3 million for a subsequent round of Workforce Accelerator Fund (Accelerator 11) program to design, develop, and implement Innovation Impact projects incorporating High Road principles as they replicate, scale and potentially connect to High Training Partnerships. The goal of Accelerator 11 is to impact economic and racial equity by creating pathways to good-quality jobs for workers from disadvantaged or low-income communities. Traditional workforce and education strategies have had an inadequate impact. Even promising strategies lack the speed, agility, or scale needed to accelerate employment for workers desperately in need of good jobs.

### **English Language Learners Grant**

As outlined in Workforce Services Information Notice [WSIN20-56](#), California awarded \$1.8 million in English Language Learner (ELL) grants. With an additional focus on addressing the challenges presented by COVID-19, the ELL grant program supports existing or new projects that improve services to ELLs, reduce and eliminate barriers to employment, build system-wide capacity to serve this population and increase alignment among WIOA partners to identify, develop, and share best practices.

Awards support local projects that establish an Integrated Education Training (IET) model with an interconnected network of employers and education and training partners that ensure career pathways culminate in high-quality employment with advancement opportunities for ELLs. Programs funded under this pilot will align WIOA programs, implement co-enrollment strategies, leverage other program funding, and provide supportive and follow-up services. Co-enrollment may include enrollment in WIOA Title I Adult, Title II Adult Education, Title III Wagner-Peyser, and human service programs or other WIOA unified plan programs. The IET model shows promise as a method to increase access to career pathway programs and bridge educational gaps to help ELLs with significant barriers to employment enter the workforce. Through this grant program, ELLs will obtain occupational skills for living wage jobs within in-demand industries in the project service area. The IET instructional strategy offers ELLs integrated instruction for career-related training and contextualized language-building skills, which will expedite entrance into the workforce. Incorporating the IET program model requires a sector-based approach to education and training and robust employer partnerships in the local labor market. Projects funded under the ELL grant program are intended to support ELLs from education through placement in high-quality jobs that will allow for upward mobility.

#### **Veterans Employment-Related Assistance Program**

As outlined in Workforce Services Information Notice [WSIN20-63](#), California awarded \$4.9 million in Veterans Employment-Related Assistance Program (VEAP) grants focused on technology-enabled education and training that allows veterans to develop the skills necessary for employment in a regionally in-demand industry.

VEAP grants help encourage the promotion of veterans as individuals with marketable skills and experience by increasing access to career pathways programs through enhanced partnerships with adult education, human service programs, and other State Plan partners, including community-based organizations. The intent is to build meaningful and sustainable industry investment and partnership, system innovation, and to develop initiatives that have the best potential to place targeted veterans into self-sufficient jobs and pathways to careers.

Awards support projects that increase access for target populations, align WIOA programs, implement co-enrollment strategies, enhance partnerships, leverage other program funding, provide supportive services, and create onramps to high-quality jobs with sustainable wages for California's veteran population. Due to COVID-19, applicants were encouraged to collaborate with institutions of higher education, innovative training providers, leaders in technology, or other partners that are best suited to expand online solutions to education, training, and employment.

#### **Disability Employment Accelerator**

As outlined in Workforce Services Information Notice [WSIN20-64](#), California awarded \$2 million in Disability Employment Accelerator (DEA) grants to promote the use of regional-industry sector strategies as the framework to help unemployed and underemployed people with disabilities obtain and retain competitive, integrated employment. DEA grants support projects that are critical to increasing employment opportunities and outcomes for people with

disabilities by working more closely with California’s employer community. Grant funds are used to provide the training needed to fill positions in local, high-growth industries such as advanced manufacturing, construction, educational services, healthcare, information technology, logistics and transportation, professional and business services, and technology. These strategies will help increase employer awareness and dispel myths and perceived barriers regarding hiring people with disabilities.

### **Rapid Response and Set Aside Funds**

California reserves 25 percent of its Title I Dislocated Worker funding to carry out statewide Rapid Response activities. Of that 25 percent, California allocates 50 percent directly to Local Areas and holds the other 50 percent at the state level for future Additional Assistance requests.

### **Rapid Response and Layoff Aversion**

As outlined in Workforce Services Directive WSD16-04 [Rapid Response and Layoff Aversion Activities](#), one-half of California’s 25 percent Rapid Response set-aside funds are allocated directly to Local Areas to support them in enabling affected workers to return to work as quickly as possible following a layoff or to prevent layoffs altogether. To accomplish this, the workforce development system must be coordinated, comprehensive, and proactive in communicating with businesses.

This includes providing labor market and workforce information, integrating industry requirements into training strategies and career pathways, brokering relationships and job connections, making services efficient and easy to access, and coordinating with regional partners to reduce duplication. Rapid Response also tracks labor market trends, increased Unemployment Insurance claims, and public announcements through the California Worker Adjustment and Retraining Notification Act notices and analyzes economic data to assess the health of businesses.

Rapid Response funds are allocated to Local Areas using a three-part formula:

1. *Baseline funding*—This funding is allocated equally among Local Areas to ensure that, at minimum, some capacity exists in each Local Area for the coordination and conduct of Rapid Response activities. Allocations to Local Areas comprised of more than one county will include an additional allocation of \$50,000 for each additional county. Of the Rapid Response set-aside funds, 30 percent are reserved for this baseline funding.
2. *Layoff-based funding* - This funding is for Local Areas that serve regions where significant numbers of dislocation events occur. This allocation will be based on quantitative layoff data. Funds will be allocated to Local Areas in proportion to the number of affected workers offered Rapid Response services in response to layoffs reported to the state. This methodology ensures services are provided to assist groups of workers affected by mass layoffs, permanent business closures, and natural or other disasters. Of the Rapid Response set-aside funds, 45 percent are reserved for this layoff-based funding.
3. *Hold-Harmless funding* - This funding minimizes funding losses from year to year. A portion of the Rapid Response set-aside funds will be used to ensure that no Local Area

receives less than 75 percent of their prior-year share of statewide funds distributed for baseline and layoff-based activities. This policy also limits any Local Area's year-over funding increase to 100 percent of their prior-year allocation.

Layoff Aversion funds are also distributed to Local Areas based on the Local Area's relative share of the Rapid Response formula allocations referenced above.

### **Additional Assistance**

As outlined in Workforce Service Directive [WSD16-15](#) *Dislocated Worker Additional Assistance Project*, the other half of California's Rapid Response set-aside funds are kept at the state level as Additional Assistance funds. These funds are made available to Local Areas that experience sudden and large increases in unemployment due to natural disasters, mass layoffs, or other events.

The purpose of the Additional Assistance funds is to supplement and expand local capability to respond effectively to worker dislocation events by funding direct services to dislocated workers when local resources are inadequate. Ideally, projects should be funded from multiple sources and involve multiple WIOA-mandated partners. Additional Assistance funds should be used to serve the additional dislocated workers as well as provide a higher quality of services and outcomes to be achieved. The funding request must demonstrate that existing local resources (WIOA or others) are inadequate to address the needs of the affected workers seeking services.

There are three different methods for requesting Additional Assistance funding:

1. *Standard Application* – This application petitions the state for additional funds to respond to unanticipated dislocated worker events that exceed the capacity of the existing Local Area's formula funds to provide the needed resources.
2. *Emergency Application* – This application provides the applicant with initial bridge funding to begin the provision of services to dislocated workers from a mass layoff or natural disaster. To qualify for a natural disaster classification, the event(s) must be declared eligible for assistance by the Federal Emergency Management Agency or other responding federal agencies.
3. *Project Modification Application* – This application seeks to alter a current Additional Assistance project due to a substantial change in the scope of the originally funded work.

In cases of natural disasters, the state's response efforts are coordinated by California's Office of Emergency Services (CalOES). The CalOES coordinates the overall state response to disasters with local, state, federal, and voluntary/nonprofit partners to administer recovery operations in the event of a disaster.

To further disaster response coordination within the workforce system, Assembly Bill (AB) 2915 (Chapter 722, Statutes of 2018) required the CWDB, in conjunction with EDD and local partners, to establish a policy regarding emergency cooperation agreements between Local Boards. To

implement the legislation, CWDB convened a workgroup comprised of representatives from CalOES, EDD, California Workforce Association, and Local Boards.

The workgroup established a multi-pronged approach for implementation:

- Publish an Information Notice to share strategies for enhanced coordination with CalOES' Local Emergency Management Contacts.
- Information Notice: [Workforce Services Information Notice 19-10 Local Board Coordination with Cal OES Local Emergency Contacts](#)
- Issue a directive that provides information on allowable activities for the various funding streams utilized by Local Boards when responding to a natural disaster.
- Directive: [Workforce Services Directive WSD 19-14 Emergency Cooperation Agreements](#)

Additionally, if an event is declared a disaster by FEMA, California utilizes Rapid Response funding to conduct an initial situation assessment to obtain preliminary data to draft a National Dislocated Worker Grant (NDWG) application. Using the initial Rapid Response assessment data, the state works with the affected Local Board(s) to develop an immediate response, including providing 'stop-gap' funding through 25 percent Additional Assistance for mitigation activities pending DOL approval of an NDWG.

### ***Trade Adjustment Assistance***

The state recognizes the need to enhance its early intervention efforts to groups of workers on whose behalf a Trade Adjustment Assistance (TAA) petition has been filed. To ensure these efforts are achieved and that Rapid Response assistance and appropriate career services are made available to those individuals, the state will continue to work collaboratively with its existing Local Area partners as well as establish new relationships with various workforce development entities.

To establish those relationships and strengthen existing partnerships, the TAA State Coordinator will actively engage with the Local Area staff and other workforce partners, such as union affiliates, to increase TAA visibility and define a streamlined process for information sharing about trade-affected individuals. In addition, TAA staff will attend all Rapid Response regional roundtables to share information regarding recently filed petitions, to learn of employers conducting layoffs that are impacted by foreign trade, and to hear from the Local Area and other workforce partners about petitions they've filed on behalf of a worker group. The state established a statewide TAA Field Division Coordinator position to provide technical assistance to the Local Areas and to participate in the roundtables.

A well-established relationship between the state and the Local Area will ensure that when a petition is filed, the Local Area Rapid Response Coordinators will coordinate Rapid Response orientations to ensure all applicable partners, including State TAA Staff, and required Rapid Response materials are available at each orientation. [Workforce Services Directive 14-15](#) provides the WIOA and TAA co-enrollment policy and procedures to ensure that Rapid Response staff understand and provide all potential trade-affected workers with required rapid response assistance, including TAA program information.



A TAA Co-enrollment Technical Assistance Guide (TAG) is also available and provides program eligibility and determination guidance, promotes cooperative partnerships, and maximizes resources that support TAA and WIOA program co-enrollment. The TAG highlights Rapid Response as a critical access point for co-enrollment. Additionally, the TAA Final Rule at 20 CFR Part 618 codifies the regulatory requirement that a trade-affected worker who is eligible for the WIOA's Dislocated Worker (DW) Program must be co-enrolled into the DW Program. Pending a petition determination, EDD staff will begin to provide core services through the AJCC system and will coordinate with Local Area staff to provide appropriate career services, such as a preliminary needs and skills assessment for the impacted worker(s). The early intervention efforts provided to the trade-affected worker prior to the petition certification seek to reduce a worker's period of unemployment. Upon a petition determination, State TAA Staff will notify all workers identified on the worker list by mailing a TAA Group Eligibility Notification Letter directly to each impacted worker regarding their eligibility to apply for individual TAA benefits and services. The letter also provides program deadline dates and provides information about the different benefits and services available to the worker if they qualify. Upon the petition certification, State TAA Staff will continue to provide appropriate employment and case management services to assist the worker in obtaining reemployment as quickly as possible.

### **Adult and Dislocated Worker Program Requirements**

#### ***Work-Based Training Models***

All of the WIOA Governor's Discretionary Grants outlined above include High Road principles embedded into their program design. This includes prioritizing job quality, supporting economic and climate resilience, and linking regionally driven sector work to a statewide skills agenda. The High Road Training Partnership (H RTP) model creates a comprehensive infrastructure of support for industries, employers, labor, and workers to collaboratively negotiate industry needs in real-time and prepare for the future of work. This partnership model promotes systems change and worker power to build an economy based on equity, skills, innovation, and shared prosperity.

The H RTP model creates a comprehensive infrastructure of support for industries, employers, labor, and workers to collaboratively negotiate industry needs in real time and prepare for the future of work. This partnership model promotes systems change and worker power to build an economy based on equity, skills, innovation, and shared prosperity. H RTPs also ensure that industries develop mechanisms to become sustainable and competitive in a high-road economy and adopt practices to address vital concerns like increasing racial equity and environmental sustainability.

The objectives of a High Road program are to increase access to existing high-road jobs for underserved populations and create pathways for job growth for incumbents already employed with a high-road employer.

Transitional Jobs (ICR Criteria Title I b. 1.)

For WIOA Title I, a participant’s participation starts when an individual receives a Staff-Assisted Basic Career service, Individualized Career service, or Training service. In “Individualized Career Services,” an individual receives WIOA-funded services that are appropriate for obtaining or retaining employment (e.g., development of an individual employment plan, English as a second language services, work experience, etc.). As identified in [Workforce Services Directive WSD18-03](#), Individualized Career Service activities include occupational career counseling, aptitude testing, mentoring, group counseling, work experiences, transitional jobs, internships, and pre-apprenticeship training.

Transitional Jobs is also a key piece of CWDB’s Earn and Learn policy strategy. 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 it 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:

- 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 based on their skill level and their specific educational or training needs. Transitional and subsidized employment programs can be used to provide work experience for those who have none thus facilitating employment for 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.

### ***Registered Apprenticeship***

According to California law, when Local Boards provide apprenticeship or pre-apprenticeship-related services using WIOA funds, they must coordinate with the apprenticeship programs in their Local Area that have been formally accredited by the Department of Industrial Relations Division of Apprenticeship Standards (DIR DAS).

California Unemployment Insurance Code (CUIC) [Section 14230](#) requires the CWDB and each Local Board to ensure that programs and services funded by WIOA and directed toward

apprenticeship occupations, including pre-apprenticeship training, are conducted in coordination with one or more apprenticeship programs approved by the Department of Industrial Relations Division of Apprenticeship Standards for the occupation and geographic area. CUIC Section 14230 also requires the CWDB and each Local Board to develop a policy of fostering collaboration between community colleges and approved apprenticeship programs in their geographic area to provide pre-apprenticeship training, apprenticeship training, and continuing education in apprenticeship occupations through the approved apprenticeship programs.

### **Training Provider Eligibility Procedure**

As outlined in [Workforce Services Directive WSD21-03](#), in order to be listed on California's Eligible Training Provider List (CA ETPL), training providers must submit an application through [CalJOBS<sup>SM</sup>](#) to a Local Board to offer training programs to WIOA program participants. The program must have been nominated by the Local Board and approved by the EDD.

### ***Initial Eligibility***

The requirements to submit an application to the CA ETPL, also known as the "initial eligibility criteria," include the following for providers and programs:

#### Providers:

##### Adult Education Secondary Schools

- Must be an eligible provider of adult education and literacy activities under Title II of WIOA. Adult education and/or literacy activities must be offered concurrently or in combination with occupational skills training.

##### Pre-apprenticeship Providers

- Must have a letter of commitment from a DOL-registered or DIR-DAS-approved apprenticeship program.

##### Apprenticeship Providers

- DOL Registered Apprenticeships and DIR DAS Approved Apprenticeships are automatically eligible to be listed on the CA ETPL and do not have any initial eligibility requirements.

##### Private Post-secondary Institutions (for-profit or nonprofit)

- Must be accredited by the Accrediting Commission for Schools (ACS) Western Association of Schools and Colleges (WASC); the WASC Senior College and University Commission (SCUC); have current BPPE Approval to Operate; current Verification of Exemption by BPPE; or are deemed exempt per California Education Code (CEC) [Section 94874](#).

##### Public Post-secondary Institutions

- Community Colleges: must be accredited by the WASC Accrediting Commission for Community and Junior Colleges (ACCJC).
- CA State University (CSU) and the University of CA (UC) must be accredited by the WASC SCUC.

Additionally, all providers must meet the following requirements:

- Compliance with the Equal Opportunity and Nondiscrimination requirements, found in [Section 188 of WIOA](#), prior to nominating the training provider to be on the CA ETPL.
- Provide information supporting the provider’s partnership with the business. This may include information about the quality and quantity of employer partnerships.

Programs:

- The training program must be for occupations in in-demand industry sectors identified by the state, region, or Local Board. In-demand or priority industry sector information must be verified with the State Board and/or Local Board.
- The training program provides training services that lead to an industry-recognized credential or employment in a specific occupation after receiving measurable technical skills.
- The cost of the program should match the cost of a member of the general public enrolling in the program without assistance from WIOA.
- If a program is offered with multiple modes of instruction (e.g., online and in-person) or durations, the program needs to be entered separately for each variation.
- For providers with BPPE Approval to Operate, the training program and its location are BPPE-approved.
- For providers with WASC SCUC accreditation, the training program, its location, and mode of delivery are WASC SCUC accredited.
- Programs must meet or exceed the minimum performance expectations based on data for all students in the program, including non-ETPL enrollments:
  - Public Post-secondary Community Colleges, CSUs, UCs, and Adult Education Secondary Schools:
    - Of individuals who exited the program, the percentage who successfully completed the training program.
    - Of individuals who successfully completed the training program, the percentage who are employed within six months of graduating from the training program.

Note: due to heavy state oversight, these providers are not required to meet a specific percentage.

Private Post-secondary Institutions:

- Of individuals who exited the program, 50% successfully completed the training program.
- Of individuals who successfully completed the training program, 50% are employed within six months of graduating from the training program.

If the training program does not meet the requirements of initial eligibility, the program’s application will be denied, and the provider will be notified.

***Continued Eligibility***

All programs on the ETPL, except for apprenticeship programs, will be evaluated annually to ensure they continue to meet eligibility to be retained on the ETPL beyond the one-year period

of initial eligibility. This process is called “continued eligibility”. The continued eligibility review process is based on the following for providers and programs:

#### Providers:

All providers on the ETPL will be evaluated by the EDD. All initial eligibility requirements for providers apply during continued eligibility. Since providers can be reviewed year-round, all active training providers on the CA ETPL will be evaluated annually by the EDD no earlier than 60 days and no later than 30 days prior to the provider’s eligibility expiration date to ensure they continue to meet the eligibility to be retained on the CA ETPL. Additionally, providers that do not have at least one Title I or Subtitle B enrollment during the previous two program years will be removed from the ETPL.

#### Programs:

All programs on the ETPL will be evaluated by the Local Board, and if the Local Board deems the program eligible, they will nominate it to EDD for review. Programs must meet all requirements outlined in initial eligibility, as well as the following:

- Program information is updated in CalJOBS.
- Submit aggregate student data for each ETPL program per federal reporting requirements.
- Except for apprenticeships, Adult Education providers, Community Colleges, UCs, and CSUs, programs must meet or exceed initial eligibility performance expectations, as well as state-negotiation performance goals.
  - The program must meet the following performance metric for all students for the most recent complete program year (July 1 – June 30):
    - Of individuals who exited the program, 50% successfully completed (did not withdraw or transfer) the program.
  - The program must meet the following performance metrics for WIOA participants for the most recent complete program year (July 1 – June 30):
    - Employment Rate 2<sup>nd</sup> Quarter after Exit meets the state’s negotiated goal for the Title I Adult program.
    - Employment Rate 4<sup>th</sup> Quarter after Exit meets the state’s negotiated goal for the Title I Adult program.
    - Median Earnings meet the state’s negotiated goal for the Title I Adult program.
    - Credential Attainment meets the state’s negotiated goal for the Title I Adult program (if applicable).
    - Measurable Skill Gains meet the state’s negotiated goal for the Title I Adult program.

If the training program does not meet the requirements of continued eligibility, the program must be removed from the ETPL, and the provider must be notified of the removal.

#### Implementing and Monitoring Priority of Service

As outlined in [Workforce Services Directive WSD15-14](#), local boards must provide priority of service to recipients of public assistance, other low-income individuals, or individuals who are

deficient in basic skills when providing individualized career services and training services funded with WIOA adult funds. Veterans and eligible spouses are also able to receive priority of service among all eligible individuals; however, they must meet the WIOA adult program eligibility criteria and meet the criteria under WIOA Section 134(c)(3)(E). Therefore, priority must be provided in the following order:

1. Veterans and eligible spouses who are also recipients of public assistance, other low-income individuals, or individuals who are deficient in basic skills.
2. Individuals who are the recipient of public assistance, other low-income individuals, or individuals who are deficient in basic skills.
3. Veterans and eligible spouses who are not included in WIOA's priority groups.
4. Other individuals not included in WIOA's priority groups.

Local Boards are allowed to establish additional priority groups for their Local Area (e.g., residents of the Local Area, individuals with disabilities, formerly incarcerated and justice-involved, etc.). However, any additional priority groups established should be identified in the local policy.

The directive contains definitions of public assistance, low income, and basic skills deficiency, as well as all individualized career and training services. It also contains a chart of source documents that Local Boards can use to verify a participant's eligibility for priority of service.

The EDD Policy and Compliance Accountability Branch is responsible for conducting annual sub-recipient monitoring to ensure that they are in compliance with WIOA eligibility requirements, including priority of service.

### ***Transfer of Funds Criteria***

As outlined in Workforce Services Directive [WSD22-09](#), and in accordance with federal law, the Employment Development Department (EDD) has the authority to approve transfer requests on behalf of the Governor. Local Boards may transfer up to 100 percent of their Adult and Dislocated Worker funds between the two funding streams. Local Boards may not transfer funds to or from the Youth program.

Each program year, the US Department of Labor provides Adult and Dislocated Worker funds to the state in two separate allotments. The first allotment begins July 1, and the second allotment begins October 1. The Local Area must submit the transfer request in writing to their Regional Advisor. All requests must contain the reason(s)/rationale for the transfer. Local Areas should consider the following when providing a justification for the transfer:

- Changes in planned services to eligible participants.
- Unexpected layoffs requiring additional funds.
- Changes in the goals for serving eligible participants.
- Changes in labor market conditions.
- Effect of transfer on jointly funded employment and training programs in the local America's Job Center of California<sup>SM</sup> system.

- Effect on existing agreements for the delivery and/or coordination of employment and training services.
- Effect on current state and Local Area employment and training systems.
- Effect on the employment and training needs of eligible participants in the Local Area.

All transfer requests must be approved and signed off by the Local Board prior to submitting the transfer request to the Regional Advisor.

To the extent that a Local Area requests to transfer its entire allocation of Dislocated Worker program funds to the Adult program, Local Areas should be aware of the following implications pertaining to that transfer:

The state will not consider a Local Area's request for WIOA Dislocated Worker 25 Percent Additional Assistance to mitigate the loss of Dislocated Worker funds resulting from the transfer as stated in Dislocated Worker Additional Assistance Projects (WSD16-15). However, if a Local Area transfers 100 percent of its Dislocated Worker funds and a dislocation event occurs in the Local Area (e.g., a specific employer layoff or a disaster that changes the local economic conditions), then the state will consider a Local Area's request for Additional Assistance funds on a case-by-case basis.

All transfers of funds are subject to the priority of service requirements. WIOA Section 134(c)(3)(E) requires priority of service for recipients of public assistance, other low-income individuals, and individuals who are deficient in basic skills. Additionally, [TEGL 19-16](#) emphasizes that Local Areas must give such priority to services regardless of the levels of funds.

### **Youth Program Requirements**

As outlined in Workforce Services Directive [WSD 17-07](#), California seeks to invest WIOA youth funds in programs that employ best practices and incorporate concepts of youth development in order to meet the diverse needs of youth and young adults through integrated wrap-around services, with a particular focus on employment and post-secondary outcomes. To accomplish this, Local Boards should select youth service providers that:

- Employ proven recruitment strategies of effective outreach, engagement, enrollment, and retention of out-of-school youth.
- Demonstrate meaningful partnerships with eligible training providers, institutions of higher education, and employers from in-demand industries.
- Offer a continuum of services that allow participants to obtain a GED/High School diploma, enroll in post-secondary education, and obtain employment within their chosen career path.
- Utilize career pathways and sector strategy models with a structured sequence of activities, as well as multiple entry and exit points that provide adequate supportive services.
- Use structured work-based learning, such as paid and unpaid work experiences and career exploration, that leads to gainful employment.

- Provide intensive case management and support services to help youth overcome complex barriers, successfully complete the program, and retain employment.

Successful performance is a priority as it helps measure the effectiveness of a local program. Local Board selection of youth providers requires an assessment of the provider’s ability to meet participant and performance requirements set forth by the local administrative entity and the state.

Local Boards should assess the provider’s:

- Experience managing contracts, performance records, and administrative structure, including records and retention, compliance and monitoring, internal audit procedures, and data management systems.
- Ability to meet reporting deadlines.
- Planned performance and ability to track outcomes.
- Frequency of training and technical assistance provided on the performance indicators to ensure compliance with federal and state requirements.

***Out-of-School Youth***

From a programmatic standpoint, California has prioritized investments in serving disconnected and Out-of-School youth at the local level by identifying them as a target population for many of the federally and state-funded grant programs. Below are a few examples of youth projects that were awarded funds.

The following are projects supported by the Workforce Accelerator Fund:

- A project that combines early work experience through employment with local professional sports arenas/stadiums, essential skills training, and connection to ongoing employment for disconnected youth. The project will also create a roadmap of opportunities for youth to follow when exploring, enrolling in, completing a community college program, and transitioning into the workforce.
- A project that leverages partnerships with the Local Conservation Corps, Community College, and U.S. Forest Services. The project will enroll youth in forestry and related field training, and upon completion of training, youth will be placed in unsubsidized jobs, advanced training, or enrolled in post-secondary education.

The following are projects supported by the Breaking Barriers to Employment Initiative:

- A project that provides a two-part, six-month internship for youth experiencing homelessness. The project will address the educational and professional opportunity gap for youth experiencing homelessness by providing youth with the tools and resources necessary for meeting their educational and professional goals.
- A project that assesses and enrolls disconnected youth, foster youth, and other target populations into programs that provide work experience. The participants without a GED or high school diploma will be enrolled in one of the Youth Build high schools.



Ongoing discussions with core and required program partners have shown that improving access and quality of services provided to Out-of-School youth facing significant barriers is a shared priority. The state is looking into ways to increase capacity for cross-agency collaboration and alignment of youth policy at the state level to improve youth service delivery at the local level.

### **Program Elements**

Local Boards must ensure that all 14 program elements are available in their Local Area. However, Local Boards are not required to provide the 14 required elements to each youth participant, but have the flexibility to determine what specific services a youth will receive based on the youth's assessment and service strategy.

Local Boards must competitively procure high-quality youth service providers that develop and implement effective youth programs by aligning career pathways, employment, training, education, and supportive services. Aligning strategic partnerships, communication, coordination, and collaboration among employers, educational partners, economic development entities, and service providers is the foundation of ensuring access to all program elements.

The WIOA youth work experience expenditure requirement aligns with California's ongoing support and utilization of "earn and learn" models such as work experience, pre-apprenticeship, registered apprenticeship, on-the-job training, and internships where participants can receive concurrent academic and occupational education, job readiness training, and employment skills. Work experience is an investment to build the foundation for career exploration and guidance, support for educational attainment, and provide opportunities for skills training in in-demand industries that result in good jobs or enrollment in post-secondary education.

### **Definition and Eligibility for "Requires Additional Assistance"**

Local Boards must establish a local definition and eligibility documentation requirements for the "requires additional assistance" criterion to determine eligibility for out-of and in-school youth. The definition must be included in the Local Plan.

The state provided the following possible definitions/criteria:

- Have repeated at least one secondary grade level or are one year over age for a grade.
- Have a core grade point average (GPA) of less than 1.5.
- Are at least two semester credits behind the rate required to graduate from high school for each year of secondary education
- Are emancipated youth.
- Have aged out of foster care.
- Are previous dropouts, have been suspended five or more times, or have been expelled.
- Have received court/agency referrals mandating school attendance.
- Are deemed at risk of dropping out of school by a school official.
- Have been referred to or are being treated by an agency for a substance abuse-related problem.

- Have experienced recent traumatic events, are victims of abuse, or reside in an abusive environment as documented by a school official or other qualified professional.
- Have serious emotional, medical, or psychological problems as documented by a qualified professional.
- Have never held a job (applies to older youth).
- Have been fired from a job within the twelve months prior to application (applies to Out-of-School youth).
- Have never held a full-time job for more than thirteen consecutive weeks (applies to OS youth).

### **Determining whether a youth is attending or not attending school**

California state law does not contain a definition for attending or not attending school. Therefore, the state developed definitions using DOL guidance and California Department of Education guidelines for data and tracking of those both in and out of school in Workforce Services Directive [WSD17-07](#).

*Attending School* - an individual is considered to be attending school if the individual is enrolled in secondary or post-secondary school. If a youth is between high school graduation and post-secondary education, the youth is considered an In-School youth if they are registered for post-secondary education, even if they have not yet begun post-secondary classes. However, if the youth registers for post-secondary education, but does not follow through with attending classes, the youth is considered Out-of-School (OS) youth if the eligibility determination is made after the youth decided not to attend post-secondary education. Youth on summer break are considered IS youth if they are enrolled to continue school in the fall.

*Not Attending School* - an individual who is not attending a secondary or post-secondary school. In addition, individuals enrolled in the following programs would be considered Out-of-School youth for eligibility purposes:

- WIOA Title II Adult Education, Youth Build, Job Corps, high school equivalency program, or dropout re-engagement programs.
  - A youth attending a high school equivalency program funded by the public K-12 school system who is classified by the school system as still enrolled in school is the exception; the youth would be considered an IS youth.
- Non-credit-bearing post-secondary classes only.
- A charter school program that provides instruction exclusively in partnership with WIOA, federally funded Youth Build programs, federal Job Corps training or instruction, California Conservation Corps, or a state-certified local conservation corps.

### **Criteria to Determine Basic Skills Needs**

As outlined in [Workforce Services Directive WSD15-14](#), an individual is considered to be basic skills deficient if they are unable to compute or solve problems or read, write, or speak English at a level necessary to function on the job, in the individual's family, or in society. The state identified the following ways to determine whether an individual meets those criteria:

- Lacks a high school diploma or high school equivalency and is not enrolled in secondary education.
- Enrolled in a Title II Adult Education/Literacy program.
- English, reading, writing, or computing skills at an 8.9 or below grade level.
- Determined to be Limited English Skills proficient through staff-documented observations.
- Other objective criteria were determined to be appropriate by the Local Area and documented in its required policy.

## **WIOA Waiver Requests**

### *Background*

During the past State Plan cycle (PY 2020-23), ongoing disruptions as a result of the pandemic had a vast impact on the state’s workforce and economy. At the 2022 Modification, certain sectors within California’s labor market continued to experience devastating effects from unprecedented increases in both temporary and permanent layoffs, especially as supply chain disruptions and mutations of the COVID-19 virus threatened many businesses with permanent closure. In order to help Local Boards mitigate the increasing challenges associated with service delivery, California applied for and received DOL approval for three waivers, which provided Local Boards with critical flexibility when assisting individuals and businesses affected by the COVID-19 pandemic.

The job losses experienced in California during COVID-19, as well as the challenging post-pandemic economic conditions, pervaded the economy in every major industry sector. While the state has made major strides toward recovery and expansion, there is still work to be done in several industries that have yet to recover from their pandemic-induced losses and post-pandemic economic conditions.

### *Going Forward*

The CWDB is uniquely staffed with researchers who have the necessary education and training to conduct an evaluation of the Local Boards’ waiver usage and plans for conducting this evaluation are underway. However, in order for this evaluation to be credible, we need to ensure that the study is “reliable.” The concept of reliability deals with the quality of the measurement; for any measurement to be reliable, it must be consistent and repeatable. Additionally, the larger the sample size, the more reliable the results due to their smaller margins of error. Thus, additional time and data utilizing these waivers would increase the evaluation’s reliability and allow California to better understand the impact that the waivers have on both Local Boards’ service delivery and the participants receiving services.

To give California more time to fully evaluate each waiver’s success, the CWDB and EDD are requesting approval from DOL to extend the following three WIOA waivers through the life of the current State Plan (PY 2024-27):

- **WIOA Section 134(d)(5) Waiver:** This waiver allows up to 30 percent of WIOA Title I adult and dislocated worker local formula funds to be used for the provision of transitional jobs.

- **WIOA Section 134(c)(3)(H)(i) Waiver:** This waiver allows up to a 90 percent reimbursement of on-the-job training (OJT) costs for businesses with 50 or fewer employees.
- **WIOA Section 129(a)(4)(A) Waiver:** This waiver allows Local Boards to decrease the out-of-school youth (OSY) expenditure requirement from 75 percent to 50 percent.

Additionally, the CWDB and EDD are requesting DOL’s approval on the following WIOA waiver through the life of the current State Plan (PY 2024-27):

- Waiver from the operational parameters in [Training and Employment Guidance Letter \(TEGL\) 10-16, Change 2](#): This waiver would allow Local Areas the flexibility to include Adult and Dislocated Workers who attend training funded by a program not included in common exit in their Credential Attainment and Measurable Skill Gains indicators. Additionally, this waiver would allow the state to report these services and outcomes in the Participant Individual Record Layout (ETA 9172).

### **WIOA Section 134(d)(5) Waiver**

Under WIOA Section 134(d)(5), a Local Board may use up to 10 percent of their combined WIOA Title I Adult and Dislocated Worker formula funds for the provision of transitional jobs. Extension of this waiver would continue to allow up to 30 percent of a Local Board’s combined WIOA Title I adult and dislocated worker formula funds to be used for the provision of transitional jobs.

Given the diverse and varying needs in California, the state has allowed the manner and degree to which Local Boards use transitional jobs to remain a local decision based on the needs of the participants and employers in their community. However, with the pandemic both Local Boards who were actively using the transitional jobs, and those who had not used it recently, believed it would become a critical service delivery strategy for the next two or three years, as many participants, especially those with barriers to employment, are struggling to attach or re-attach to the labor market.

California’s intent in seeking this waiver is not to replace, reduce, or impact existing employees. Instead, the waiver will allow Local Boards increased flexibility to provide transitional jobs to individuals with barriers to employment to gain work experience and a source of income during these trying times. As a secondary benefit, the waiver could assist employers who may need or want to hire additional staff to rebuild their business operations but are not currently financially able to, given the decrease in revenue that many businesses experienced during the pandemic.

### ***Actions to Remove State or Local Barriers***

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

### ***State Strategic Goals Supported by Waiver***

This waiver aligns with the following strategic goals outlined in the State Plan:

- Fostering demand-driven skills attainment
- Enabling upward mobility for all Californians
- Aligning, coordinating, and integrating programs and services

### ***Projected Programmatic Outcomes Resulting from Waiver Implementation***

The State of California anticipates the implementation of this waiver to have the following programmatic outcomes:

- Provide participants who are chronically unemployed or have an inconsistent work history with work experience and reattachment to the labor market.
- Provide participants with wages that will assist in covering critical living expenses and provide stimulus to local economies.
- Provide a source of additional subsidized labor to employers working to rebuild their business operations due to the economic impact of the COVID-19 pandemic.

California placed 487 Adults and 29 Dislocated Workers in Transitional Jobs in PY 2022-23. While it is difficult to provide an exact number given the uncertain and ever-changing economic conditions, California anticipates that increasing the percentage of adult and dislocated funds spent on transitional jobs to individuals with barriers to employment, could lead to an estimated 10% increase in Adults and Dislocated Workers placed in transitional jobs for each full program year the waiver is in effect.

### ***Individuals Impacted by the Waiver***

The waiver is intended to assist both job seekers and employers. In particular, this waiver is meant to impact the following:

- Job seekers with significant barriers to employment who are either:
  - Chronically unemployed
  - Have an inconsistent work history
- Employers attempting to hire additional staff to rebuild their business operations due to the economic impact of the COVID-19 pandemic.

### ***Monitoring Progress and Implementation***

As outlined in Workforce Services Directive [WSD24-01](#), Local Boards must receive approval from the state before using any of the waivers granted by DOL. This application process allows the state to approve each individual waiver contingent on Local Boards meeting certain criteria and requirements related to that waiver. It also allows the state to track which Local Boards are using which waivers to determine their effectiveness at the end of each program year.

Because the current waiver was only applied to PY 2021-22, it is too early to determine the true impact without a complete program year of data to compare against. However, 6 Local Boards are currently approved to utilize this waiver, with more Local Boards indicating they would like apply in future program years if the current waiver is extended.

### ***Notice to Local Boards and Public Comment***

The Draft State Plan will be posted for public comment for thirty (30) days to allow the workforce community to provide input.

**WIOA Section 134(c)(3)(H)(i) Waiver:**

Small businesses continue to experience unprecedented challenges due to the COVID-19 pandemic and ensuing economic conditions due to inflation, supply chain issues, and worker shortages. Unlike large corporations with deep pockets, small businesses operate with tight margins and have less room to absorb the shocks of an inflationary economy. Coupled with a red-hot job market where retaining employees poses significant challenges, competing with bigger companies that can offer higher salaries and better benefits is tough for small businesses on tight budgets.

Extension of this waiver would allow Local Boards to continue providing additional relief to small businesses who may be more risk-averse when hiring and training new employees during this economic instability by reimbursing a greater portion of their on-the-job training costs. The extension would also maximize Local Boards' ability to support small businesses that are seeking to maintain and retrain their workforce to adapt to the rapidly changing economic landscape.

***Actions to Remove State or Local Barriers***

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

***State Strategic Goals Supported by Waiver***

This waiver aligns with the following strategic goals outlined in the State Plan:

- Fostering demand-driven skills attainment.
- Enabling upward mobility for all Californians.
- Aligning, coordinating, and integrating programs and services.

***Projected Programmatic Outcomes Resulting from Waiver Implementation***

The State of California anticipates the extension of this waiver to have the following programmatic outcomes:

- Provide small businesses with additional reimbursement of the OJT costs associated with training employees to meet existing or new business needs resulting from the economic impact of the COVID-19 pandemic.
- Provide job seekers with barriers to employment subsidized training opportunities to improve the prospect of obtaining and retaining employment.

California provided 1,172 Adults and 304 Dislocated Workers with OJT services in PY 2019-20. Consultation with Local Boards has revealed that approximately 75% of those were with small businesses that have 50 or fewer employees. While it can be hard to provide an exact number given the uncertain and ever-changing economic conditions, California anticipates that increasing the reimbursement up to 90% could lead to an estimated 25% increase or an additional 250 participants placed in OJTs with small businesses for each year that the waiver is in effect.

***Individuals Impacted by the Waiver***

The waiver is intended to provide assistance to both job seekers and employers. In particular, this waiver is meant to impact the following:

- Employers with fewer than 50 employees, especially those who are experiencing altered operations, service delivery, or other changes due to the economic impact of COVID-19.
- Job seekers with barriers to employment, especially those whose employment status has been affected due to the economic impact of COVID-19.

***Monitoring Progress and Implementation***

As outlined in Workforce Services Directive [WSD24-01](#), Local Boards must receive approval from the state before using any of the waivers granted by DOL. This application process allows the state to approve each individual waiver contingent on local boards meeting certain criteria and requirements related to that waiver. It also allows the state to track which Local Boards use waivers to determine their effectiveness at the end of each program year.

Because the current waiver was only applied to PY 2021-22, it is too early to determine the true impact without a complete program year of data to compare against. However, 13 Local Boards are currently approved to utilize this waiver, with more Local Boards indicating they would like to apply in future program years if the current waiver is extended.

***Notice to Local Boards and Public Comment***

The Draft State Plan will be posted for public comment for 30 days to allow the workforce community to provide input.

***WIOA Section 129(a)(4)(A) Waiver:***

Under WIOA, Local Boards are required to spend at least 75 percent of their WIOA youth formula allocation on youth workforce investment activities for OSY. For California, an unintended consequence of this requirement has led to a reduction in funds that Local Boards could redirect toward serving ISY involved in the foster care system, juvenile justice system, and/or experiencing homelessness.

In California, foster care and juvenile justice youth have high rates of not completing high school or entering post-secondary education or the workforce. While this waiver increases the flexibility that Local Boards have to enroll all eligible ISY, California is specifically hoping to see an increase in access to services for systems involved youth and youth experiencing homelessness so that they can be served through workforce development programs to support their continued engagement in education or training prior to disengagement.

***Actions to Remove State or Local Barriers***

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

***State Strategic Goals Supported by Waiver***

This waiver aligns with the following strategic goals outlined in the State Plan:

- Fostering demand-driven skills attainment.
- Enabling upward mobility for all Californians.
- Aligning, coordinating, and integrating programs and services.

***Projected Programmatic Outcomes Resulting from Waiver Implementation***

While it can be hard to provide an exact number given the pandemic's impact on school reopening and the variance in how many disconnected youth are in each Local Area, the CWDB anticipates that Local Boards who applied for and are utilizing this waiver will see an increase of approximately 15 percent, in the total number of ISY that they enroll who meet the WIOA defined youth barriers related to foster care, justice-involved, and/or homelessness. Using California's Program Year 2019-20 data as a benchmark, a 15 percent increase would equate to approximately 695 more ISY youth from the identified target populations enrolled statewide for every full program year the waiver is in effect.

### ***Individuals Impacted by the Waiver***

This waiver is intended to increase the enrollment of ISY who meet one or more of the following WIOA-defined ISY barriers:

- An offender.
- A homeless individual or runaway.
- An individual in foster care or who has aged out of the foster care system.

An individual who has attained 16 years of age and left foster care for kinship guardianship or adoption, a child eligible for assistance under Section 477 of the Social Security Act, or in an out-of-home placement.

### ***Monitoring Progress and Implementation***

As outlined in Workforce Services Information Notice [WSIN21-12](#), Local Boards must receive approval from the state before using any of the waivers granted by DOL. This application process allows the state to make approvals for each individual waiver contingent on Local Boards meeting certain criteria and requirements related to that waiver. It also allows the state to track which Local Boards are using which waivers in order to determine their effectiveness at the end of each program year.

Because the current waiver was only applied to PY 2021-22, it is too early to determine the true impact without a complete program year of data to compare against. However, 17 Local Boards are currently approved to utilize this waiver, with more Local Boards indicating they would like to apply in future program years if an extension of the current waiver is received.

### ***Notice to Local Boards and Public Comment***

The Draft State Plan will be posted for public comment for 30 days in order to allow the workforce community an opportunity to provide input.

### ***Waiver of TEGL 10-16, Change 2 Operational Parameter Related to Title I Adult and Dislocated Workers***

All participants in a Title I Adult or Dislocated Worker-funded training program or receiving training from a DOL partner program that shares a common exit with a Title I Adult or Dislocated Worker are included in the credential attainment indicator. This waiver would allow Local Areas the flexibility to include participants in Adult or Dislocated Worker-funded training programs or receive training from a DOL partner program that does not share a common exit with a Title I Adult or Dislocated Worker in their Credential Attainment and Measurable Skills



Gains indicators. Additionally, this waiver would allow the state to report these services and outcomes in the Participant Individual Record Layout (ETA 9172).

***Actions to Remove State or Local Barriers***

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

***State Strategic Goals Supported by Waiver***

California supports and encourages Local Areas to co-enroll across core and partner programs. This is emphasized in the State Plan, as well as in policy developed in partnership with the following California state departments: Department of Rehabilitation, Department of Education, Department of Social Services, and the California Community College’s Chancellor Office ([WSD19-09](#)), *Strategic Co-enrollment – Unified Plan Partners*).

This waiver supports state policy by supporting the Local Area’s collaboration with partners to provide a holistic service delivery model that incorporates both employment and education services. Local Areas can promote successful outcomes for program participants by leveraging other resources while continuing to provide employment and supportive services. For example, in California, the California College Promise Grant (CCPG) waives the enrollment fees of California Community College courses for low-income, eligible California residents. Under this waiver, training services (regardless of funding source) will place Adult and Dislocated Workers into the Credential Attainment and Measurable Skill Gains indicators, and outcomes associated with the program participant will count toward the Adult and Dislocated Worker programs. The state intends to capture the training and outcomes data in a manner that allows for the identification of participants in training programs funded by sources other than programs included in a common exit.

TEGL 4-15, *Vision for the One-Stop Delivery System under the Workforce Innovation and Opportunity Act (WIOA)* indicates, “Under WIOA, partner programs and entities that are jointly responsible for workforce and economic development, educational, and other human resource programs collaborate to create a seamless customer-focused one-stop delivery system that integrates service delivery across all programs and enhances access to the programs’ services.” The guidance also states that high-quality one-stop centers seamlessly incorporate services of the core and partner programs and organize and integrate services by function rather than by program.

In TEGL 19-16, *Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES)*, as amended by title III of WIOA, and for Implementation of the WIOA Final Rules, the DOL emphasizes that training services can be critical to the employment success of some Adults and Dislocated Workers. The guidance also indicates that training services may only be funded by the program if the participants are unable to obtain grant assistance from other sources to pay the costs of training, including such sources as State-funded training funds or Federal Pell Grants established under Title IV of the Higher Education Act.

Ultimately, this waiver aligns with DOL’s policy priorities, as it connects education and training strategies by further increasing the partnerships with partner programs and promoting the leveraging of resources to best serve the individual. Additionally, WIOA can report successful outcomes for the participants when Local Areas provide additional employment and supportive services.

***Projected Programmatic Outcomes Resulting from Waiver Implementation***

- Increase in the number of program participants enrolled in training funded by partner programs.
- Increase in the number of program participants included in the Credential Attainment and Measurable Skill Gains indicators.

***Individuals Impacted by the Waiver***

Title I Adult and Dislocated Worker participants, especially those who qualify for other grants or programs in need of training services to promote successful employment outcomes, will benefit from this waiver.

***Monitoring Progress and Implementation***

The state will periodically examine the appropriateness and effectiveness of this waiver. This strategy ensures that the goals described above are consistent with established objectives of WIOA regulations. Further, the impact of this waiver based on the programmatic outcomes identified above will be included in the state’s WIOA Annual Narrative Report.

***Notice to Local Boards and Public Comment***

The Draft State Plan will be posted for public comment for 30 days in order to allow the workforce community an opportunity to provide input.

***Title I-B Assurances***

1. The state has implemented a policy to ensure adult program funds provide a priority in the delivery of training services and individualized career services to individuals who are low-income, public assistance recipients, and deficient in basic skills.
2. The state has implemented a policy to ensure local areas have a process in place for referring veterans with significant barriers to employment to career services provided by the JVSG program’s Disabled Veterans’ Outreach Program (DVOP) specialist.
3. The state has established a written policy and procedure that sets forth criteria to be used by chief elected officials for the appointment of local workforce investment board members.
4. The state established written policies and procedures to ensure local workforce investment boards are certified by the governor every two years in accordance with WIOA section 107(c)(2).
5. Where an alternative entity takes the place of a State Board, the state has written policies and procedures to ensure the alternative entity meets the definition under WIOA section 101(e) and the legal requirements for membership.

6. The state established a written policy and procedure for how the individuals and entities represented on the State Workforce Development Board help determine the methods and factors of distribution and how the State consults with chief elected officials in local areas throughout the state in determining the distributions.
7. The state will not use funds received under WIOA Title I to assist, promote, or deter union organizing in accordance with WIOA section 181(b)(7).
8. The state distributes adult and youth funds received under WIOA equitably throughout the state, and no local area suffers significant shifts in funding from year to year during the period covered by this plan.
9. If a State Workforce Development Board, department, or agency administers State laws for vocational rehabilitation of persons with disabilities, that board, department, or agency cooperates with the agency that administers Wagner-Peyser services, Adult and Dislocated Worker programs, and Youth Programs under Title I.
10. The state agrees to report on the impact and outcomes of its approved waivers in its WIOA Annual Report.
11. The state has taken appropriate action to secure compliance with the Uniform Guidance at 2 CFR 200 and 2 CFR 2900, including that the state will annually monitor local areas to ensure compliance and otherwise take appropriate action to secure compliance with the Uniform Guidance under section WIOA 184(a)(3).