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**AB-138 Employment: health care benefits: unemployment insurance: policies and practices.** (2021-2022)

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**Assembly Bill No. 138**

**CHAPTER 78**

An act to add Sections 19815.9, 20825.13, and 22944.6 to, and to repeal Section 22843.1 of, the Government Code, to add Chapter 4 (commencing with Section 2693) to Part 11 of Division 2 of the Labor Code, and to amend Sections 316, 1095, 1339, 2655, 2701, 14005, 14013, and 14017 of, to amend, repeal, and add Section 823 of, and to add Sections 340 and 14014 to, the Unemployment Insurance Code, relating to employment, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[ Approved by Governor July 16, 2021. Filed with Secretary of State July 16, 2021. ]

**LEGISLATIVE COUNSEL'S DIGEST**

AB 138, Committee on Budget. Employment: health care benefits: unemployment insurance: policies and practices.

(1) The Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by the Board of Administration of the Public Employees' Retirement System, governs the funding and provision of postemployment health care benefits for eligible retired public employees and their families. PEMHCA requires the employing office of a state employee or state annuitant, pursuant to standards established by the Department of Human Resources, to possess documentation verifying eligibility of an employee's family member prior to the enrollment of a family member in a health benefit plan and to verify continued eligibility pursuant to a specified schedule. PEMHCA requires the employing office to obtain verifying information for certain family members, including children and stepchildren, at least once every 3 years.

This bill would repeal those PEMHCA provisions and reenact revised provisions in existing law relating to general powers and responsibilities of the department. The bill would revise the specified verification schedule to require the employing office to obtain verifying documentation to substantiate continued eligibility at least once within a 3-year period from the initial enrollment for children and adopted children, and at least once every 3 years for stepchildren and domestic partner children. The bill would additionally require that the department consult with, but not be required to obtain the approval of, the Public Employees' Retirement System prior to adopting related regulations. The bill would require these provisions to be interpreted in accordance with definitions in PEMHCA.

(2) The Public Employees' Retirement Law (PERL) creates the Public Employees' Retirement System (PERS) for the purpose of providing pension and benefits to state employees and their beneficiaries and prescribes the rights and duties of employers participating in the system. Under PERL, benefits are funded by investment income and employer and employee contributions, which are deposited into the Public Employees' Retirement Fund, a continuously appropriated trust fund administered by the system's board of administration. PERL prescribes methods for the calculation and payment of the state employer contribution for its employees who are PERS members. PERL provides for an annual adjustment of the state's contribution in the budget and quarterly appropriations to the Public Employees' Retirement Fund from the General Fund and other funds that are responsible for payment of the employer contribution.

Existing law makes additional supplemental General Fund appropriations to the Public Employees' Retirement Fund for the 2020–21, 2021–22, and 2022–23 fiscal years. Supplemental payments connected with appropriations for the 2021–22 and 2022–23 fiscal years are to be apportioned to the state employee member categories generally, as directed by the Department of Finance.

The California Constitution establishes the Budget Stabilization Account in the General Fund and requires the Controller, in each fiscal year, to transfer from the General Fund to the Budget Stabilization Account amounts that include a sum equal to 1.5% of the estimated amount of General Fund revenues for that fiscal year. These provisions further require, until fiscal year 2029–30, that the Legislature appropriate a percentage of these moneys, the amount of which is generated pursuant to specified calculations, for certain obligations and purposes, including addressing unfunded liabilities for state-level pension plans.

This bill would appropriate \$1,881,000,000 from the General Fund for the purposes identified in the constitutional provisions described above, to supplement the state's appropriation to the Public Employees' Retirement Fund. The bill would specify that this appropriation represents a portion of the amount identified in a specific provision of the Budget Act of 2021. The bill would require the Department of Finance to provide the Controller with a schedule establishing the timing of specific transfers. The bill would require the supplemental payment to the Public Employees' Retirement Fund to be apportioned to specified state employee member categories, not to exceed \$865,017,000 to the state miscellaneous member category, \$50,499,000 to the state industrial member category, \$112,346,000 to the state safety member category, and \$853,138,000 to the state peace officer/firefighter member category. The bill would require the appropriation described above to be applied to the unfunded state liabilities for the state employee member categories that are in excess of the base amounts for the 2021–22 fiscal year.

(3) The Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by the Board of Administration of the Public Employees' Retirement System, prescribes methods for calculating the state employer contribution for employee health care and other postemployment benefits for eligible retired public employees and their families and for the vesting of these benefits. PEMHCA establishes the Annuitants' Health Care Coverage Fund, which is continuously appropriated, for the purpose of prefunding health care coverage for annuitants, including administrative costs.

PEMHCA requires the state and employees in specified State Bargaining Units to prefund retiree health care and other postemployment benefits, subject to certain conditions. PEMHCA suspends those employees' monthly contributions for prefunding other postemployment benefits for the 2020–21 fiscal year.

This bill, in addition to the appropriation required for state contributions to prefund retiree health care and other postemployment benefits, as described above, would appropriate \$616,000,000 from the General Fund on behalf of employees for the 2020–21 employee prefunding contributions that were suspended. The bill would provide that this appropriation represents a portion of the amount identified in a specified provision of the Budget Act of 2021. The bill would require the Department of Finance to provide the Controller with a schedule establishing the timing of specified transfers, as described below.

The bill would require the supplemental payment to the Annuitants' Health Care Coverage Fund to be apportioned to specified state employee bargaining unit subaccounts, as directed by the Department of Finance. The bill would specifically provide for amounts to State Bargaining Unit subaccounts not to exceed the following: \$251,000,000 for employees in State Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20, and 21; \$11,000,000 for employees in State Bargaining Unit 2; \$65,000,000 for employees in State Bargaining Unit 5; \$115,000,000 for employees in State Bargaining Unit 6; \$25,000,000 for employees in State Bargaining Unit 7; \$23,000,000 for employees in State Bargaining Unit 8; \$28,000,000 for employees in State Bargaining Unit 9; \$9,000,000 for employees in State Bargaining Unit 10; \$32,000,000 for employees in State Bargaining Unit 12; \$3,000,000 for employees in State Bargaining Unit 13; \$6,000,000 for employees in State Bargaining Unit 16; \$17,000,000 for employees in State Bargaining Unit 18; \$17,000,000 for employees in State Bargaining Unit 19; and \$14,000,000 for specified employees who are not related to a State Bargaining Unit and are excepted from the general definition of state employee and officers or employees of the executive branch of state government who are not members of the civil service.

The bill would require the appropriation, beginning July 1, 2021, to be applied to the employee contribution required to prefund retiree health and other postemployment benefits, as described above, that equates to the suspended contribution amount for the 2020–21 fiscal year.

(4) Existing law requires every person engaged in the business of garment manufacturing, as defined, to register with the Labor Commissioner and to pay registration fees, as specified. Existing law makes garment manufacturers liable for payment of applicable minimum wage and overtime compensation to employees of their contractors. Existing law provides that employees may enforce this requirement by filing a claim with the Labor Commissioner for unpaid wages against the contractor and the manufacturer.

This bill would, upon appropriation, establish the Garment Worker Wage Claim Pilot Program. The program would provide funding to the Department of Industrial Relations to contract with qualified organizations, as defined, for the purpose of providing educational services to garment workers regarding wage violations.

(5) Existing law requires the Employment Development Department to administer a program for the payment of unemployment compensation to the eligible unemployed. Existing law requires the department to periodically review policies and practices used to determine eligibility and benefits that result in delayed eligibility unemployment determinations or benefit payments and that fail to identify or prevent fraud. Existing law requires the director of the department to report the results of the first review to the Legislature on or before July 1, 2015, and authorizes the submission of subsequent reports.

This bill would require the department to provide specified committees of the Legislature with a plan for assessing the effectiveness of its fraud prevention and detection tools by May 1, 2022, and to provide a report to those committees with an update on its progress on performing this assessment by July 1, 2022. The bill would require the department, on or before January 1, 2023, and annually thereafter, to analyze and assess the effectiveness of its fraud prevention and detection tools and to submit this analysis and assessment to those committees, and would provide that some information may be excluded or redacted from that report.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(6) Existing law establishes the Employment Development Department within the Labor and Workforce Development Agency and sets forth its powers and duties, including job creation activities, computation of benefits, and determination of contribution rates and collection of contributions for benefits.

Existing law provides for the payment of unemployment compensation benefits to eligible persons who are unemployed through no fault of their own through a federal-state unemployment insurance program administered by the department. Unemployment compensation benefits are paid from the Unemployment Fund, and the expenses for administering these provisions are paid from the Unemployment Administration Fund, which is continuously appropriated for these purposes. Under existing law, workers are required to pay contributions to the Unemployment Compensation Disability Fund, and those funds are continuously appropriated for the purpose of providing disability benefits and making payment of administrative expenses.

Existing law requires all standard information employee pamphlets provided by the department concerning unemployment and disability insurance programs to be printed in English and the 7 other most commonly used languages among participants in each program. Existing law also requires the department to make the pages on its internet website that provide information regarding applying for, and receiving, unemployment insurance benefits available in the 7 languages, other than English, most commonly used by unemployment insurance applicants and claimants.

This bill would require all standard information employee pamphlets concerning unemployment and disability insurance programs to be printed in English and the primary languages, defined as the top 7 non-English languages used by limited English proficient adults in California according to the 2019 American Community Survey by the United States Census Bureau. The bill would delete the requirement to make specified pages on the department's internet website available in the 7 languages other than English, as described above, and would instead require the department, by February 1, 2024, to establish and host a primary language multilingual access portal for unemployment insurance, as specified. The bill would also require the department, by April 1, 2024, to translate the UI Online interface in the primary languages.

This bill would require the department, by January 1, 2022, to provide oral and signed language unemployment insurance services in real time by qualified interpreters or qualified bilingual staff. If the department staff cannot obtain interpretation in the individual's language and linguistic variant in real time after good faith efforts to acquire language services, the bill would require the department to provide the individual with a return telephone or relay call in the individual's language within a reasonable timeframe. The bill would require the department, by March 1, 2022, to engage linguistically marginalized communities to assist in expanding access to available unemployment insurance programs and services, as specified, and to employ a multilingual access coordinator and multilingual access unit to coordinate the department's multilingual access services, provide technical assistance to department staff, and monitor the provision of multilingual access services. The bill would require that, by June 1, 2022, each application for unemployment insurance contain a section asking the individual to identify their preferred written and spoken or signed languages to be kept in the individual's claims record. The bill would require the department, by December 1, 2022, to, among other things, provide dedicated phone lines for unemployment insurance claims in the primary languages and to translate static, nonpersonalized documents containing unemployment insurance vital information into the primary and additional languages, as defined. The bill would prohibit the provision of unemployment insurance language services from causing an undue delay in receipt of services or benefits. If the department's provision of language services unduly delays an individual's receipt of services or benefits, the bill would require the individual's time to meet the department's deadlines to be extended for the period of time necessary to receive the language services.

This bill would require the department to engage in regular data collection, monitoring, and oversight of multilingual access unemployment insurance services and to annually report this data to the legislative budget committees. Specifically, the bill would require the department, by July 1, 2022, to report to the legislative budget and policy committees on the status of multilingual access services to be delivered to individuals participating in the State Disability Insurance and Paid Family Leave programs. The bill would define related terms, and would include related legislative findings.

Because this bill would authorize the expenditure of funds from the Unemployment Administration Fund, and the Unemployment Compensation Disability Fund, for new purposes, the bill would make an appropriation.

(7) Existing law provides for the financing of unemployment insurance for public school employees. Under existing law, public school employers may elect to budget and remit to the Treasurer moneys for deposit in the School Employees Fund, a continuously appropriated fund, for the purpose of payment by each school employer of unemployment compensation benefits and other expenses of unemployment insurance for school employees. The amount of remitted moneys is determined by multiplying a contribution rate for the fiscal year by total wages, as specified. Existing law, except as specified, requires the contribution rate to generate revenue equal to twice the amount of benefits disbursed during the prior calendar year, less the fund balance at the end of the prior calendar year, and divided by total wages, as prescribed.

This bill, for the fiscal year beginning July 1, 2021, and for the subsequent fiscal year, would establish the contribution rate at 0.5%.

(8) Under existing law, the information obtained in the administration of the Unemployment Insurance Code is for the exclusive use and information of the Director of Employment Development in the discharge of the director's duties and is not open to the public. Existing law permits the use of the information for specified purposes, including to enable the California Workforce Development Board and other entities to access any relevant quarterly wage data necessary for the evaluation and reporting of specified workforce program performance outcomes. Existing law makes it a crime for any person to knowingly access, use, or disclose this confidential information without authorization.

This bill would add the Department of Fair Employment and Housing to the list of entities permitted to use information obtained in the administration of the Unemployment Insurance Code, and would authorize the department to use the information to carry out its duties, including ensuring compliance with specified pay data reporting requirements. This bill would provide that conduct related to information disclosed pursuant to its provisions shall not be subject to the criminal sanctions.

(9) Existing unemployment compensation disability law provides a formula for determining benefits available to qualifying disabled individuals. Existing law provides that for periods of disability commencing on and after January 1, 2018, but before January 1, 2022, an individual's weekly benefit amount would be \$50 if the individual's wages during the quarter of the individual's disability base period in which those wages were highest was less than \$929, but if the individual's wages for the same period was \$929 or more, and was less than  $\frac{1}{3}$  of the amount of the state average quarterly wage, then 70% of the amount of wages paid to the individual for employment during the quarter of the individual's disability base period in which these wages were highest, divided by 13, is the amount of the benefit. Under existing law, for periods of disability commencing on and after January 1, 2022, if the amount of wages paid an individual during the quarter of their disability base period in which those wages were highest exceeds \$1,749.20, the weekly benefit amount is 55% of those wages divided by 13. Under existing law, for both calculations, a benefit that is not a multiple of \$1 shall be computed to the next higher multiple of \$1, and the amount of the benefit is prohibited from exceeding the maximum workers' compensation temporary disability indemnity weekly benefit amount.

This bill would extend the January 1, 2022, date for both those calculations to January 1, 2023. Because the bill would continue to allow an increased payment from the Unemployment Compensation Disability Fund, a continuously appropriated fund, this bill would make an appropriation.

(10) Existing law authorizes the Employment Development Department to administer the state unemployment insurance compensation program and the disability insurance compensation program, which includes family temporary disability insurance benefits. Existing law requires the department, among other duties, to make unemployment and disability compensation payments, as prescribed by the Director of Employment Development. Existing law requires unemployment insurance compensation benefits that are directly deposited to an account of the recipient's choice to be deposited to a qualifying account, as defined.

This bill would require the Employment Development Department, beginning January 1, 2024, to provide a person entitled to receive benefits under the state unemployment insurance compensation program or the disability insurance compensation program the option to receive payments directly deposited by electronic fund transfer into a qualifying account of the recipient's choice, in addition to other alternative disbursement payment methods such as debit cards and checks.

(11) Existing law, the California Workforce Innovation and Opportunity Act, establishes the California Workforce Development Board as the body responsible for assisting the Governor in the development, oversight, and continuous improvement of

California's workforce investment system and the alignment of the education and workforce investment systems to the needs of the 21st century economy and workforce. The act requires the board to assist the Governor in developing a state plan for workforce development. That act prescribes specific tasks with which the board assists the Governor, including the development of strategies for creating career pathways for individuals through workforce investment activities, education, and supportive services to enter or retain employment, improving access to services provided by the workforce development system, and meeting the needs of employers and workers by creating industry or sector partnerships related to in-demand industry sectors and occupations, as specified. The act defines terms for its purposes.

This bill would require that the board assist the Governor in furthering economic development that results in improved workforce education and fair compensation and treatment. The bill would require that the state plan take into account economic trends that impact the labor market, including climate change, among other things. The bill would provide that, in addition to assisting with strategies and planning, the board shall assist the Governor in developing, implementing, administering, promoting, and providing field assistance for, programs that create supportive services to enter or retain high quality employment, and meet the needs of employers and workers through industry or sector partnerships, that have significant economic impacts on the state and its development, including the state's transition to a carbon neutral economy.

The bill would require the board to assist the Governor in developing standards, procedures, and criteria for defining high road employers, high road jobs, high road workforce development, and high road training partnerships in California, as specified, pursuant to the development of high road workforce programs. The bill would require the board to assist the Governor in expanding, promoting, administering, and providing field assistance for, high road training partnerships and high road construction careers. The bill would define terms for these purposes.

The bill would require the board to collect data and report on program outcomes. Pursuant to this requirement, the bill would require the Employment Development Department to share any and all wage and employment data necessary for the board to evaluate its programs and grants. The bill would also require program participants to provide data to the board to facilitate public transparency, accountability, and grant and program performance evaluation. The bill would set criteria for the board's evaluation, as specified.

The bill would require the board, after receiving and administering funding for high road workforce programs, to report back to the Legislature by October 1 of even numbered years with whatever information is available. The bill would require final evaluation reports to be provided to the Legislature not less than 18 months after available labor market outcome data is available.

(12) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: no

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## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 19815.9 is added to the Government Code, to read:

**19815.9.** (a) Pursuant to standards established by the department, the employing office of a state employee or state annuitant shall possess documentation verifying eligibility of an employee's or annuitant's family member prior to the enrollment of a family member in a health benefit plan. The employing office shall maintain the verifying documentation in the employee or annuitant's official personnel or member file.

(b) The employing office of the state employee or state annuitant shall obtain verifying documentation to substantiate the continued eligibility of family members as follows:

(1) At least once within a three-year period from the initial enrollment for birth and adopted children.

(2) At least once every three years for the following family members:

(A) Spouses.

(B) Domestic partners.

(C) Stepchildren and domestic partner children.

(3) At least once annually for other children for whom the state employee or state annuitant has assumed a parent-child relationship.

(c) For purposes of this section, the Public Employees' Retirement System is the employing office of a state annuitant.

(d) The department shall consult with, but shall not be required to obtain the approval of, the Public Employees' Retirement System prior to adopting any regulations pursuant to this section.

(e) This section shall be interpreted in accordance with the definitions provided in Article 2 (commencing with Section 22760) of Chapter 1 of Part 5.

**SEC. 2.** Section 20825.13 is added to the Government Code, to read:

**20825.13.** (a) (1) In addition to the appropriation required pursuant to Section 20825, the Legislature hereby appropriates one billion eight hundred eighty-one million dollars (\$1,881,000,000) from the General Fund, for the purposes described in subclause (IV) of clause (ii) of subparagraph (B) of paragraph (1) of subdivision (c) of Section 20 of Article XVI of the California Constitution to supplement the state's appropriation to the Public Employees' Retirement Fund. The appropriation made by this section represents a portion of the amount identified in paragraph (3) of subdivision (d) of Section 35.50 of the Budget Act of 2021. The appropriation shall be consistent with the requirements of this section and at the direction of the Department of Finance. The Department of Finance shall provide to the Controller a schedule establishing the timing of specific transfers to be used as described in subdivision (b).

(2) The supplemental appropriation to the Public Employees' Retirement Fund described in paragraph (1) shall be apportioned to the following state employee member categories, as directed by the Department of Finance, not to exceed the following amounts:

(A) Eight hundred sixty-five million seventeen thousand dollars (\$865,017,000) to the state miscellaneous member category.

(B) Fifty million four hundred ninety-nine thousand dollars (\$50,499,000) to the state industrial member category.

(C) One hundred twelve million three hundred forty-six thousand dollars (\$112,346,000) to the state safety member category.

(D) Eight hundred fifty three million one hundred thirty-eight thousand dollars (\$853,138,000) to the state peace officer/firefighter member category.

(b) The appropriation made pursuant to paragraph (1) of subdivision (a) shall be applied to the unfunded state liabilities for the state employee member categories described in paragraph (2) of subdivision (a) that are in excess of the base amounts for the 2021–22 fiscal year.

**SEC. 3.** Section 22843.1 of the Government Code is repealed.

**SEC. 4.** Section 22944.6 is added to the Government Code, to read:

**22944.6.** (a) (1) In addition to the appropriation required for state contributions to prefund retiree health care and other postemployment benefits pursuant to Section 22944.5, the Legislature hereby appropriates six hundred sixteen million dollars (\$616,000,000) from the General Fund on behalf of employees for the 2020–21 employee prefunding contributions that were suspended. The appropriation made by this section represents a portion of the amount identified in paragraph (3) of subdivision (d) of Section 35.50 of the Budget Act of 2021. The appropriation shall be consistent with the requirements of this section and at the direction of the Department of Finance. The Department of Finance shall provide to the Controller a schedule establishing the timing of specific transfers to be used as described in subdivision (b).

(2) The supplemental payment to the Annuitants' Health Care Coverage Fund described in paragraph (1) shall be apportioned to the following state employee bargaining unit subaccounts, as directed by the Department of Finance, not to exceed the following amounts:

(A) Two hundred fifty-one million dollars (\$251,000,000) to the subaccount for employees in State Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20, and 21.

(B) Eleven million dollars (\$11,000,000) to the subaccount for employees in State Bargaining Unit 2.

(C) Sixty-five million dollars (\$65,000,000) to the subaccount for employees in State Bargaining Unit 5.

(D) One hundred fifteen million dollars (\$115,000,000) to the subaccount for employees in State Bargaining Unit 6.

(E) Twenty-five million dollars (\$25,000,000) to the subaccount for employees in State Bargaining Unit 7.

(F) Twenty-three million dollars (\$23,000,000) to the subaccount for employees in State Bargaining Unit 8.

(G) Twenty-eight million dollars (\$28,000,000) to the subaccount for employees in State Bargaining Unit 9.

(H) Nine million dollars (\$9,000,000) to the subaccount for employees in State Bargaining Unit 10.

(I) Thirty-two million dollars (\$32,000,000) to the subaccount for employees in State Bargaining Unit 12.

(J) Three million dollars (\$3,000,000) to the subaccount for employees in State Bargaining Unit 13.

(K) Six million dollars (\$6,000,000) to the subaccount for employees in State Bargaining Unit 16.

(L) Seventeen million dollars (\$17,000,000) to the subaccount for employees in State Bargaining Unit 18.

(M) Seventeen million dollars (\$17,000,000) to the subaccount for employees in State Bargaining Unit 19.

(N) Fourteen million dollars (\$14,000,000) to the subaccount for employees described in paragraph (1) of subdivision (g) of Section 22944.5 of the Government Code.

(b) Beginning July 1, 2021, the appropriation made in paragraph (1) of subdivision (a) shall be applied to the employee contribution required to prefund retiree health care and other postemployment benefits described in paragraph (2) of subdivision (a) that equates to the suspended contribution amount for the 2020–21 fiscal year.

**SEC. 5.** Chapter 4 (commencing with Section 2693) is added to Part 11 of Division 2 of the Labor Code, to read:

#### **CHAPTER 4. Garment worker wage claim pilot program**

**2693.** The Legislature finds and declares that the garment industry is rife with both egregious wage violations and flagrant health and safety violations, both of which have been allowed to proliferate in the pandemic, leading to the deaths of dozens of garment workers. However, not all workers who experience these violations have access to advocates in order to vindicate their rights, due to the limited capacity of legal aid and community-based organizations.

**2693.1.** (a) Upon appropriation by the Legislature, the Department of Industrial Relations shall establish and maintain a Garment Worker Wage Claim Pilot Program. The Department shall contract to provide resources to qualified organizations. The funds shall be used to increase the capacity and expertise of qualified organizations to improve the education of wage violations to garment workers and the securing of wage claims for garment workers who bring forward a wage claim pursuant to Section 2673.1. The program shall include, but not be limited to, all of the following:

- (1) Education for garment workers including, but not limited to, minimum wage, overtime, sick leave, recordkeeping, wage adjudication, and retaliation.
- (2) Direct assistance by a worker advocate to assist workers who seek to file a wage claim.
- (3) Legal assistance to garment workers who seek to file a wage claim.

(b) All education and services provided in this section shall be at free and accessible to any garment worker in the State of California.

(c) For the purposes of this chapter, “qualified organization” means a legal aid or community-based nonprofit organization that has a minimum of five years experience working with garment workers, advocating on behalf of garment workers, and a successful record of winning wage claims on behalf of garment workers that have been filed with the Division of Labor Standards Enforcement.

**SEC. 6.** Section 316 of the Unemployment Insurance Code is amended to read:

**316.** (a) For purposes of this section, the following definitions shall apply:

(1) “Additional languages” means the top 8 to 15 non-English and nonprimary languages used by limited English proficient adults in California according to the most recent American Community Survey by the United States Census Bureau.

(A) Whether referring to written or spoken languages, the eight additional languages in 2021 are Arabic, Farsi, Punjabi, Russian, Japanese, Hindi, Mon-Khmer (Cambodian), and Thai.

(B) The department shall thereafter review, evaluate, and update the list of additional languages at least every three years. In determining how many languages to include in the definition of “additional languages,” the department may consider various data sources, including, but not limited to, the United States Census Bureau, including the American Community Survey, other state and local government agencies, feedback from community-based organizations, and the department’s own data tracking measures.

(2) “Limited English proficient” means individuals who do not speak English as their primary language and who have a limited ability to read, write, understand, or speak English.

(3) “Linguistic variant” means a distinct form of a language used by people from a specific country or region.

(4) "Multilingual access portal" means the section of the department's website that synthesizes critical website content and features all translated vital unemployment insurance documents.

(5) "Primary languages" means the top seven non-English languages used by limited English proficient adults in California according to the 2019 American Community Survey by the United States Census Bureau.

(A) When referring to written languages, the top seven languages are Spanish, traditional Chinese, simplified Chinese, Vietnamese, Tagalog, Korean, and Armenian.

(B) When referring to spoken languages, the top seven languages are Spanish, Cantonese, Mandarin, Vietnamese, Tagalog, Korean, and Armenian.

(6) "Vital information" means information, whether written, oral, or electronic, that is necessary for an individual to understand how to obtain any aid, benefit, service, or training or is required by law.

(b) There shall be maintained within an appropriate division of the department, a bureau, section, or unit relating to education and public instruction for the purpose of informing employers and workers of their rights and responsibilities under this code, and of instructing the public generally concerning its basic purposes, provisions, and operations. All standard information employee pamphlets concerning unemployment and disability insurance programs shall be printed in English and the primary languages.

(c) Commencing no later than June 1, 2022, each application for unemployment insurance shall contain a section asking the individual to identify their preferred written and spoken or signed languages to be kept in the individual's claims record.

(d) Commencing no later than January 1, 2022, the department shall provide oral and signed language unemployment insurance services in real time by qualified interpreters or qualified bilingual staff.

(1) If the department staff cannot obtain interpretation in the individual's language and linguistic variant in real time after good faith efforts to acquire language services, the department shall provide the individual with a return telephone or relay call in the individual's language within a reasonable timeframe.

(2) Upon the individual's request, a qualified interpreter shall read the department's documents and notices aloud in the individual's preferred language within a reasonable timeframe.

(e) (1) Commencing no later than December 1, 2022, the department shall do all of the following:

(A) Provide dedicated phone lines for unemployment insurance claims in the primary languages in an effort to provide consistent wait times across all phone lines and collect and review data on phone usage by limited English proficient individuals.

(B) Translate static, nonpersonalized documents containing unemployment insurance vital information into the primary and additional languages.

(C) If the individual's language is not among the primary or additional languages, then upon the individual's request, provide the individual with translation or oral or signed interpretation of documents in their preferred language.

(2) All vital documents described in this subdivision shall be available on the department website.

(f) The department shall translate the UI Online interface in the primary languages. The department shall make the translated UI Online interface available upon completion of the translation of each primary language, ending no later than April 1, 2024.

(g) The department shall establish and host a primary language multilingual access portal for unemployment insurance. The department shall make the content available upon completion of the translation of each primary language, ending no later than February 1, 2024.

(h) Before the completion of the multilingual access portal described in subdivision (g), the department shall display both of the following on its internet website organized and translated by language:

(1) Available translated notices and other vital documents.

(2) The appropriate department phone number or phone numbers for individuals to contact when seeking multilingual unemployment insurance services in their preferred written or spoken language.

(i) Commencing no later than March 1, 2022, the department shall do all of the following:

(1) Engage linguistically marginalized communities to assist in expanding access to available unemployment insurance programs and services, including, but not limited to, all of the following activities:



(A) Conduct targeted outreach to limited English proficient communities to solicit advice on policies and practices affecting individuals who are eligible for the department's services and benefits.

(B) Market and promote its programs and services in the primary languages to the general public and limited English proficient communities.

(C) Establish a grant program lasting at least two years to provide funding for community-based organizations to provide outreach and education to limited English proficient communities.

(2) Employ a multilingual access coordinator and multilingual access unit to coordinate the department's multilingual access services, provide technical assistance to department staff, and monitor the provision of multilingual access services.

(j) The department shall engage in regular data collection, monitoring, and oversight of multilingual access unemployment insurance services. The department shall annually report this data to the legislative budget committees.

(k) The provision of unemployment insurance language services shall not cause an undue delay in receipt of services or benefits. If the department's provision of language services unduly delays an individual's receipt of services or benefits, the individual's time to meet the department's deadlines shall be extended for the period of time necessary to receive the language services.

(l) No later than July 1, 2022, the department shall report to the legislative budget and policy committees on the status of multilingual access services to be delivered to individuals participating in the State Disability Insurance and Paid Family Leave programs.

(m) A report to be submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

**SEC. 7.** Section 340 is added to the Unemployment Insurance Code, to read:

**340.** (a) (1) The department shall provide a plan for assessing the effectiveness of its fraud prevention and detection tools by May 1, 2022, to the Senate Committee on Labor, Public Employment and Retirement, the Assembly Committee on Insurance, the Senate Committee on Budget and Fiscal Review, the Assembly Committee on Budget, and the Joint Legislative Audit Committee.

(2) The department shall provide a report with an update on its progress on performing the assessment that the plan identified pursuant to paragraph (1) by July 1, 2022, to the Senate Committee on Labor, Public Employment and Retirement, the Assembly Committee on Insurance, the Senate Committee on Budget and Fiscal Review, the Assembly Committee on Budget, and the Joint Legislative Audit Committee.

(b) On or before January 1, 2023, and annually thereafter, the department shall analyze and assess the effectiveness of its fraud prevention and detection tools and shall submit this analysis and assessment to the Senate Committee on Labor, Public Employment and Retirement, the Assembly Committee on Insurance, the Senate Committee on Budget and Fiscal Review, the Assembly Committee on Budget, and the Joint Legislative Audit Committee. Details on fraud methods and tools may be generalized, excluded, or redacted to protect the fraud deterrence practices of the department.

(c) The plan, assessments, and reports required by this section shall be provided consistent with the requirements of Section 9795 of the Government Code.

**SEC. 8.** Section 823 of the Unemployment Insurance Code is amended to read:

**823.** (a) For the purpose of payment by each school employer of all or part of the charges for unemployment compensation benefits, fees, assessments, interest, penalties, billings, notices, and other expenses of unemployment insurance for school employees pursuant to this part, moneys budgeted pursuant to subdivisions (b) and (c) shall be remitted by the school employer or on the school employer's behalf by the county auditor to the Treasurer pursuant to this article, and shall be deposited in the School Employees Fund.

(b) (1) For each fiscal year, except as provided in subdivision (c), each school employer shall budget and remit on or before the last day of the calendar month following the close of each calendar quarter to the Treasurer for deposit in the School Employees Fund in the State Treasury an amount determined by multiplying the contribution rate for the fiscal year by the total wages, including taxable wages as well as wages which would be taxable except for the limitation on taxable wages provided under Section 930, but excluding, to the extent permitted by federal law, wages paid to any individual to the extent that federal law provides for reimbursement to the State of California for all benefits paid from the Unemployment Fund to the individual based on the wages.

The administrator shall, not later than March 31 each year, notify all school employers participating in the School Employees Fund of the contribution rate for the succeeding fiscal year.

(2) The contribution rate for the fiscal year beginning July 1, 1988, and for each subsequent fiscal year shall be two times the amount disbursed for claims management fees, unemployment insurance benefit charges, and School Employees Fund administrative expenditures from the School Employees Fund during the 12-month period ending December 31 and immediately preceding the fiscal year for which the rate is to be effective, less the amount in the School Employees Fund on that December 31, with the resulting figure divided by total wages as described in paragraph (1) for the 12-month period ending June 30 and immediately preceding that December 31, and then rounded to the nearest one-hundredth of 1 percent. In no event shall the contribution rate be less than five one-hundredths of 1 percent.

(3) Notwithstanding paragraph (2), the contribution rate for the fiscal year beginning July 1, 2021, and for the subsequent fiscal year beginning July 1, 2022, shall be five-tenths of 1 percent.

(c) If the administrator finds that the ability of the School Employees Fund to meet its estimated obligations promptly when due will become endangered, the administrator shall increase the contribution rate otherwise provided by this section to a level estimated to be needed to protect the solvency of the fund, except that the rate shall not be increased to more than three-tenths of 1 percent. If the administrator finds that the School Employees Fund balance is in excess of an adequate reserve to meet its estimated obligations promptly when due, the administrator shall, after consultation with the fund's School Advisory Committee, decrease the contribution rate otherwise provided by this section, except that the rate shall not be decreased to less than one-tenth of 1 percent. The administrator shall notify all school employers participating in the fund of any increased or decreased contribution rate under this authority.

(d) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

**SEC. 9.** Section 823 is added to the Unemployment Insurance Code, to read:

**823.** (a) For the purpose of payment by each school employer of all or part of the charges for unemployment compensation benefits, fees, assessments, interest, penalties, billings, notices, and other expenses of unemployment insurance for school employees pursuant to this part, moneys budgeted pursuant to subdivisions (b) and (c) shall be remitted by the school employer or on the school employer's behalf by the county auditor to the Treasurer pursuant to this article, and shall be deposited in the School Employees Fund.

(b) (1) For each fiscal year, except as provided in subdivision (c), each school employer shall budget and remit on or before the last day of the calendar month following the close of each calendar quarter to the Treasurer for deposit in the School Employees Fund in the State Treasury an amount determined by multiplying the contribution rate for the fiscal year by the total wages, including taxable wages as well as wages which would be taxable except for the limitation on taxable wages provided under Section 930, but excluding, to the extent permitted by federal law, wages paid to any individual to the extent that federal law provides for reimbursement to the State of California for all benefits paid from the Unemployment Fund to the individual based on the wages.

The administrator shall, not later than March 31 each year, notify all school employers participating in the School Employees Fund of the contribution rate for the succeeding fiscal year.

(2) The contribution rate for the fiscal year beginning July 1, 1988, and for each subsequent fiscal year shall be two times the amount disbursed for claims management fees, unemployment insurance benefit charges, and School Employees Fund administrative expenditures from the School Employees Fund during the 12-month period ending December 31 and immediately preceding the fiscal year for which the rate is to be effective, less the amount in the School Employees Fund on that December 31, with the resulting figure divided by total wages as described in paragraph (1) for the 12-month period ending June 30 and immediately preceding that December 31, and then rounded to the nearest one-hundredth of 1 percent. In no event shall the contribution rate be less than five one-hundredths of 1 percent.

(c) If the administrator finds that the ability of the School Employees Fund to meet its estimated obligations promptly when due will become endangered, the administrator shall increase the contribution rate otherwise provided by this section to a level estimated to be needed to protect the solvency of the fund, except that the rate shall not be increased to more than three-tenths of 1 percent. If the administrator finds that the School Employees Fund balance is in excess of an adequate reserve to meet its estimated obligations promptly when due, the administrator shall, after consultation with the fund's School Advisory Committee, decrease the contribution rate otherwise provided by this section, except that the rate shall not be decreased to less than one-tenth of 1 percent. The administrator shall notify all school employers participating in the fund of any increased or decreased contribution rate under this authority.

(d) This section shall become operative on January 1, 2024.

**SEC. 10.** Section 1095 of the Unemployment Insurance Code is amended to read:

**1095.** The director shall permit the use of any information in the director's possession to the extent necessary for any of the following purposes, and may require reimbursement for all direct costs incurred in providing any and all information specified in this section, except information specified in subdivisions (a) to (e), inclusive:

(a) To enable the director or the director's representative to carry out their responsibilities under this code.

(b) To properly present a claim for benefits.

(c) To acquaint a worker or their authorized agent with the worker's existing or prospective right to benefits.

(d) To furnish an employer or their authorized agent with information to enable the employer to fully discharge their obligations or safeguard their rights under this division or Division 3 (commencing with Section 9000).

(e) To enable an employer to receive a reduction in contribution rate.

(f) To enable federal, state, or local governmental departments or agencies, subject to federal law, to verify or determine the eligibility or entitlement of an applicant for, or a recipient of, public social services provided pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code, or Part A of Subchapter IV of the federal Social Security Act (42 U.S.C. Sec. 601 et seq.), when the verification or determination is directly connected with, and limited to, the administration of public social services.

(g) To enable county administrators of general relief or assistance, or their representatives, to determine entitlement to locally provided general relief or assistance, when the determination is directly connected with, and limited to, the administration of general relief or assistance.

(h) To enable state or local governmental departments or agencies to seek criminal, civil, or administrative remedies in connection with the unlawful application for, or receipt of, relief provided under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code or to enable the collection of expenditures for medical assistance services pursuant to Part 5 (commencing with Section 17000) of Division 9 of the Welfare and Institutions Code.

(i) To provide any law enforcement agency with the name, address, telephone number, birth date, social security number, physical description, and names and addresses of present and past employers, of any victim, suspect, missing person, potential witness, or person for whom a felony arrest warrant has been issued, when a request for this information is made by any investigator or peace officer as defined by Sections 830.1 and 830.2 of the Penal Code, or by any federal law enforcement officer to whom the Attorney General has delegated authority to enforce federal search warrants, as defined under Sections 60.2 and 60.3 of Title 28 of the Code of Federal Regulations, as amended, and when the requesting officer has been designated by the head of the law enforcement agency and requests this information in the course of and as a part of an investigation into the commission of a crime when there is a reasonable suspicion that the crime is a felony and that the information would lead to relevant evidence. The information provided pursuant to this subdivision shall be provided to the extent permitted by federal law and regulations, and to the extent the information is available and accessible within the constraints and configurations of existing department records. Any person who receives any information under this subdivision shall make a written report of the information to the law enforcement agency that employs the person, for filing under the normal procedures of that agency.

(1) This subdivision shall not be construed to authorize the release to any law enforcement agency of a general list identifying individuals applying for or receiving benefits.

(2) The department shall maintain records pursuant to this subdivision only for periods required under regulations or statutes enacted for the administration of its programs.

(3) This subdivision shall not be construed as limiting the information provided to law enforcement agencies to that pertaining only to applicants for, or recipients of, benefits.

(4) The department shall notify all applicants for benefits that release of confidential information from their records will not be protected should there be a felony arrest warrant issued against the applicant or in the event of an investigation by a law enforcement agency into the commission of a felony.

(j) To provide public employee retirement systems in California with information relating to the earnings of any person who has applied for or is receiving a disability income, disability allowance, or disability retirement allowance, from a public employee retirement system. The earnings information shall be released only upon written request from the governing board specifying that the person has applied for or is receiving a disability allowance or disability retirement allowance from its retirement system. The request may be made by the chief executive officer of the system or by an employee of the system so authorized and identified by name and title by the chief executive officer in writing.

- (k) To enable the Division of Labor Standards Enforcement in the Department of Industrial Relations to seek criminal, civil, or administrative remedies in connection with the failure to pay, or the unlawful payment of, wages pursuant to Chapter 1 (commencing with Section 200) of Part 1 of Division 2 of, and Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of, the Labor Code.
- (l) To enable federal, state, or local governmental departments or agencies to administer child support enforcement programs under Part D of Title IV of the federal Social Security Act (42 U.S.C. Sec. 651 et seq.).
- (m) To provide federal, state, or local governmental departments or agencies with wage and claim information in its possession that will assist those departments and agencies in the administration of the Victims of Crime Program or in the location of victims of crime who, by state mandate or court order, are entitled to restitution that has been or can be recovered.
- (n) To provide federal, state, or local governmental departments or agencies with information concerning any individuals who are or have been:
- (1) Directed by state mandate or court order to pay restitution, fines, penalties, assessments, or fees as a result of a violation of law.
  - (2) Delinquent or in default on guaranteed student loans or who owe repayment of funds received through other financial assistance programs administered by those agencies. The information released by the director for the purposes of this paragraph shall not include unemployment insurance benefit information.
- (o) To provide an authorized governmental agency with any and all relevant information that relates to any specific workers' compensation insurance fraud investigation. The information shall be provided to the extent permitted by federal law and regulations. For purposes of this subdivision, "authorized governmental agency" means the district attorney of any county, the office of the Attorney General, the Contractors State License Board, the Department of Industrial Relations, and the Department of Insurance. An authorized governmental agency may disclose this information to the State Bar of California, the Medical Board of California, or any other licensing board or department whose licensee is the subject of a workers' compensation insurance fraud investigation. This subdivision shall not prevent any authorized governmental agency from reporting to any board or department the suspected misconduct of any licensee of that body.
- (p) To enable the Director of Consumer Affairs, or the director's representative, to access unemployment insurance quarterly wage data on a case-by-case basis to verify information on school administrators, school staff, and students provided by those schools who are being investigated for possible violations of Chapter 8 (commencing with Section 94800) of Part 59 of Division 10 of Title 3 of the Education Code.
- (q) To provide employment tax information to the tax officials of Mexico, if a reciprocal agreement exists. For purposes of this subdivision, "reciprocal agreement" means a formal agreement to exchange information between national taxing officials of Mexico and taxing authorities of the State Board of Equalization, the Franchise Tax Board, and the Employment Development Department. Furthermore, the reciprocal agreement shall be limited to the exchange of information that is essential for tax administration purposes only. Taxing authorities of the State of California shall be granted tax information only on California residents. Taxing authorities of Mexico shall be granted tax information only on Mexican nationals.
- (r) To enable city and county planning agencies to develop economic forecasts for planning purposes. The information shall be limited to businesses within the jurisdiction of the city or county whose planning agency is requesting the information, and shall not include information regarding individual employees.
- (s) To provide the State Department of Developmental Services with wage and employer information that will assist in the collection of moneys owed by the recipient, parent, or any other legally liable individual for services and supports provided pursuant to Chapter 9 (commencing with Section 4775) of Division 4.5 of, and Chapter 2 (commencing with Section 7200) and Chapter 3 (commencing with Section 7500) of Division 7 of, the Welfare and Institutions Code.
- (t) To provide the State Board of Equalization with employment tax information that will assist in the administration of tax programs. The information shall be limited to the exchange of employment tax information essential for tax administration purposes to the extent permitted by federal law and regulations.
- (u) This section shall not be construed to authorize or permit the use of information obtained in the administration of this code by any private collection agency.
- (v) The disclosure of the name and address of an individual or business entity that was issued an assessment that included penalties under Section 1128 or 1128.1 shall not be in violation of Section 1094 if the assessment is final. The disclosure may also include any of the following:
- (1) The total amount of the assessment.

(2) The amount of the penalty imposed under Section 1128 or 1128.1 that is included in the assessment.

(3) The facts that resulted in the charging of the penalty under Section 1128 or 1128.1.

(w) To enable the Contractors State License Board to verify the employment history of an individual applying for licensure pursuant to Section 7068 of the Business and Professions Code.

(x) To provide any peace officer with the Division of Investigation in the Department of Consumer Affairs information pursuant to subdivision (i) when the requesting peace officer has been designated by the chief of the Division of Investigation and requests this information in the course of and as part of an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

(y) To enable the Labor Commissioner of the Division of Labor Standards Enforcement in the Department of Industrial Relations to identify, pursuant to Section 90.3 of the Labor Code, unlawfully uninsured employers. The information shall be provided to the extent permitted by federal law and regulations.

(z) To enable the Chancellor of the California Community Colleges, in accordance with the requirements of Section 84754.5 of the Education Code, to obtain quarterly wage data, commencing January 1, 1993, on students who have attended one or more community colleges, to assess the impact of education on the employment and earnings of students, to conduct the annual evaluation of district-level and individual college performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(aa) To enable the Public Employees' Retirement System to seek criminal, civil, or administrative remedies in connection with the unlawful application for, or receipt of, benefits provided under Part 3 (commencing with Section 20000) of Division 5 of Title 2 of the Government Code.

(ab) To enable the State Department of Education, the University of California, the California State University, and the Chancellor of the California Community Colleges, pursuant to the requirements prescribed by the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), to obtain quarterly wage data, commencing July 1, 2010, on students who have attended their respective systems to assess the impact of education on the employment and earnings of those students, to conduct the annual analysis of district-level and individual district or postsecondary education system performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(ac) To provide the Agricultural Labor Relations Board with employee, wage, and employer information, for use in the investigation or enforcement of the Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975 (Part 3.5 (commencing with Section 1140) of Division 2 of the Labor Code). The information shall be provided to the extent permitted by federal statutes and regulations.

(ad) (1) To enable the State Department of Health Care Services, the California Health Benefit Exchange, the Managed Risk Medical Insurance Board, and county departments and agencies to obtain information regarding employee wages, California employer names and account numbers, employer reports of wages and number of employees, and disability insurance and unemployment insurance claim information, for the purpose of:

(A) Verifying or determining the eligibility of an applicant for, or a recipient of, state health subsidy programs, limited to the Medi-Cal program provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, and the Medi-Cal Access Program provided pursuant to Chapter 2 (commencing with Section 15810) of Part 3.3 of Division 9 of the Welfare and Institutions Code, when the verification or determination is directly connected with, and limited to, the administration of the state health subsidy programs referenced in this subparagraph.

(B) Verifying or determining the eligibility of an applicant for, or a recipient of, federal subsidies offered through the California Health Benefit Exchange, provided pursuant to Title 22 (commencing with Section 100500) of the Government Code, including federal tax credits and cost-sharing assistance pursuant to the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), when the verification or determination is directly connected with, and limited to, the administration of the California Health Benefit Exchange.

(C) Verifying or determining the eligibility of employees and employers for health coverage through the Small Business Health Options Program, provided pursuant to Section 100502 of the Government Code, when the verification or determination is directly connected with, and limited to, the administration of the Small Business Health Options Program.

(2) The information provided under this subdivision shall be subject to the requirements of, and provided to the extent permitted by, federal law and regulations, including Part 603 of Title 20 of the Code of Federal Regulations.

(ae) To provide any peace officer with the Investigations Division of the Department of Motor Vehicles with information pursuant to subdivision (i), when the requesting peace officer has been designated by the Chief of the Investigations Division and requests this information in the course of, and as part of, an investigation into identity theft, counterfeiting, document fraud, or consumer fraud, and there is reasonable suspicion that the crime is a felony and that the information would lead to relevant evidence regarding the identity theft, counterfeiting, document fraud, or consumer fraud. The information provided pursuant to this subdivision shall be provided to the extent permitted by federal law and regulations, and to the extent the information is available and accessible within the constraints and configurations of existing department records. Any person who receives any information under this subdivision shall make a written report of the information to the Investigations Division of the Department of Motor Vehicles, for filing under the normal procedures of that division.

(af) Until January 1, 2020, to enable the Department of Finance to prepare and submit the report required by Section 13084 of the Government Code that identifies all employers in California that employ 100 or more employees who receive benefits from the Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code). The information used for this purpose shall be limited to information obtained pursuant to Section 11026.5 of the Welfare and Institutions Code and from the administration of personal income tax wage withholding pursuant to Division 6 (commencing with Section 13000) and the disability insurance program and may be disclosed to the Department of Finance only for the purpose of preparing and submitting the report and only to the extent not prohibited by federal law.

(ag) To provide, to the extent permitted by federal law and regulations, the Student Aid Commission with wage information in order to verify the employment status of an individual applying for a Cal Grant C award pursuant to subdivision (c) of Section 69439 of the Education Code.

(ah) To enable the Department of Corrections and Rehabilitation to obtain quarterly wage data of former inmates who have been incarcerated within the prison system in order to assess the impact of rehabilitation services or the lack of these services on the employment and earnings of these former inmates. Quarterly data for a former inmate's employment status and wage history shall be provided for a period of one year, three years, and five years following release. The data shall only be used for the purpose of tracking outcomes for former inmates in order to assess the effectiveness of rehabilitation strategies on the wages and employment histories of those formerly incarcerated. The information shall be provided to the department to the extent not prohibited by federal law.

(ai) To enable federal, state, or local government departments or agencies, or their contracted agencies, subject to federal law, including the confidentiality, disclosure, and other requirements set forth in Part 603 of Title 20 of the Code of Federal Regulations, to evaluate, research, or forecast the effectiveness of public social services programs administered pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code, or Part A of Subchapter IV of Chapter 7 of the federal Social Security Act (42 U.S.C. Sec. 601 et seq.), when the evaluation, research, or forecast is directly connected with, and limited to, the administration of the public social services programs.

(aj) (1) To enable the California Workforce Development Board, the Chancellor of the California Community Colleges, the Superintendent of Public Instruction, the Department of Rehabilitation, the State Department of Social Services, the Bureau for Private Postsecondary Education, the Department of Industrial Relations, the Division of Apprenticeship Standards, the Department of Corrections and Rehabilitation, the Prison Industry Authority, the Employment Training Panel, and a chief elected official, as that term is defined in Section 3102(9) of Title 29 of the United States Code, to access any relevant quarterly wage data necessary for the evaluation and reporting of their respective program performance outcomes as required and permitted by various local, state, and federal laws pertaining to performance measurement and program evaluation under the federal Workforce Innovation and Opportunity Act (Public Law 113-128); the workforce metrics dashboard pursuant to paragraph (1) of subdivision (i) of Section 14013; the Adult Education Block Grant Program consortia performance metrics pursuant to Section 84920 of the Education Code; the economic and workforce development program performance measures pursuant to Section 88650 of the Education Code; and the California Community Colleges Economic and Workforce Development Program performance measures established in Part 52.5 (commencing with Section 88600) of Division 7 of Title 3 of the Education Code. Disclosures under this subdivision shall comply with federal and state privacy laws that require the informed consent from program participants of city and county departments or agencies that administer public workforce development programs for the evaluation, research, or forecast of their programs regardless of local, state, or federal funding source.

(2) The department shall do all of the following:

(A) Consistent with this subdivision, develop the minimum requirements for granting a request for disclosure of information authorized by this subdivision regardless of local, state, or federal funding source.

(B) Develop a standard application for submitting a request for disclosure of information authorized by this subdivision.

(C) Approve or deny a request for disclosure of information authorized by this subdivision, or request additional information, within 20 business days of receiving the standard application. The entity submitting the application shall respond to any request by the department for additional information within 20 business days of receipt of the department's request. Within 30 calendar days of receiving any additional information, the department shall provide a final approval or denial of the request for disclosure of information authorized by this subdivision. Any approval, denial, or request for additional information shall be in writing. Denials shall identify the reason or category of reasons for the denial.

(D) Make publicly available on the department's internet website all of the following:

(i) The minimum requirements for granting a request for disclosure of information authorized by this subdivision, as developed pursuant to subparagraph (A).

(ii) The standard application developed pursuant to subparagraph (B).

(iii) The timeframe for information request determinations by the department, as specified in subparagraph (C).

(iv) Contact information for assistance with requests for disclosures of information authorized by this subdivision.

(v) Any denials for requests of disclosure of information authorized by this subdivision, including the reason or category of reasons for the denial.

(ak) (1) To provide any peace officer with the Enforcement Branch of the Department of Insurance with both of the following:

(A) Information provided pursuant to subdivision (i) that relates to a specific insurance fraud investigation involving automobile insurance fraud, life insurance and annuity fraud, property and casualty insurance fraud, and organized automobile insurance fraud. That information shall be provided when the requesting peace officer has been designated by the Chief of the Fraud Division of the Department of Insurance and requests the information in the course of, and as part of, an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

(B) Employee, wage, employer, and state disability insurance claim information that relates to a specific insurance fraud investigation involving health or disability insurance fraud when the requesting peace officer has been designated by the Chief of the Fraud Division of the Department of Insurance and requests the information in the course of, and as part of, an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

(2) To enable the State Department of Developmental Services to obtain quarterly wage data of consumers served by that department for the purposes of monitoring and evaluating employment outcomes to determine the effectiveness of the Employment First Policy, established pursuant to Section 4869 of the Welfare and Institutions Code.

(3) The information provided pursuant to this subdivision shall be provided to the extent permitted by federal statutes and regulations.

(al) To provide the CalSavers Retirement Savings Board with employer tax information for use in the administration of, and to facilitate compliance with, the CalSavers Retirement Savings Trust Act (Title 21 of the Government Code). The information should be limited to the tax information the director deems appropriate, and shall be provided to the extent permitted by federal laws and regulations.

(am) (1) To enable the Joint Enforcement Strike Force as established by Section 329, and the Labor Enforcement Task Force, as established pursuant to Assembly Bill 1464 of the 2011–12 Regular Session (Chapter 21 of the Statutes of 2012), to carry out their duties.

(2) To provide an agency listed in subdivision (a) of Section 329 intelligence, data, including confidential tax and fee information, documents, information, complaints, or lead referrals pursuant to Section 15925 of the Government Code.

(an) To enable the Bureau for Private Postsecondary Education to access and use any relevant quarterly wage data necessary to perform the labor market outcome reporting data match pursuant to Section 94892.6 of the Education Code. The information provided pursuant to this subdivision shall be provided to the extent permitted by state and federal laws and regulations.

(ao) To enable the Department of Fair Employment and Housing to carry out its duties, including ensuring compliance with Section 12999 of the Government Code. Conduct related to information provided pursuant to this subdivision shall not be subject to the criminal sanctions set forth in subdivision (f) of Section 1094.

**SEC. 11.** Section 1339 of the Unemployment Insurance Code is amended to read:

**1339.** (a) (1) The department shall pay unemployment compensation benefits through public employment offices or such other agency as may be prescribed by authorized regulations of the director.

(2) Beginning January 1, 2024, the department shall provide a person entitled to receive unemployment compensation benefits the option to receive payments by direct deposit, as regulated under the federal Electronic Fund Transfer Act (EFTA) (15 U.S.C. Sec. 1693 et seq.), into a qualifying account, as defined in subdivision (a) of Section 1339.1, of the recipient's choice, in addition to other alternative disbursement payment methods, including, but not limited to, debit cards and checks.

(b) Each check or certification (pay order) issued in payment of unemployment insurance compensation benefits shall have prominently imprinted upon it: "State unemployment insurance benefits under the California Unemployment Insurance Code are paid for by employers."

**SEC. 12.** Section 2655 of the Unemployment Insurance Code is amended to read:

**2655.** (a) Except as provided in subdivisions (b), (c), (d), (e), and (f), an individual's "weekly benefit amount" shall be the amount appearing in column B in the table set forth in this subdivision on the line of which in column A of the table there appears the wage bracket containing the amount of wages paid to the individual for employment by employers during the quarter of the individual's disability base period in which wages were the highest.

A Amount of wages in highest quarter	B Weekly benefit amount
\$75–1,149.99 .....	\$50
1,150–1,174.99 .....	51
1,175–1,199.99 .....	52
1,200–1,224.99 .....	53
1,225–1,249.99 .....	54
1,250–1,274.99 .....	55
1,275–1,299.99 .....	56
1,300–1,324.99 .....	57
1,325–1,349.99 .....	58
1,350–1,374.99 .....	59
1,375–1,399.99 .....	60
1,400–1,424.99 .....	61
1,425–1,449.99 .....	62
1,450–1,474.99 .....	63
1,475–1,499.99 .....	64
1,500–1,524.99 .....	65
1,525–1,549.99 .....	66
1,550–1,574.99 .....	67
1,575–1,599.99 .....	68
1,600–1,624.99 .....	69
1,625–1,649.99 .....	70
1,650–1,674.99 .....	71
1,675–1,699.99 .....	72
1,700–1,724.99 .....	73
1,725–1,749.20 .....	74



(b) For periods of disability commencing on or after January 1, 1990, and prior to January 1, 1991, if the amount of wages paid an individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest exceeds one thousand seven hundred forty-nine dollars and twenty cents (\$1,749.20), the weekly benefit amount shall be 55 percent of these wages divided by 13, but not exceeding two hundred sixty-six dollars (\$266) or the maximum workers' compensation temporary disability indemnity weekly benefit amount, whichever is less. If the benefit payable under this subdivision is not a multiple of one dollar (\$1), it shall be computed to the next higher multiple of one dollar (\$1).

(c) For periods of disability commencing on or after January 1, 1991, but before January 1, 2000, if the amount of wages paid an individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest exceeds one thousand seven hundred forty-nine dollars and twenty cents (\$1,749.20), the weekly benefit amount shall be 55 percent of these wages divided by 13, but not exceeding three hundred thirty-six dollars (\$336). If the benefit payable under this subdivision is not a multiple of one dollar (\$1), it shall be computed to the next higher multiple of one dollar (\$1).

(d) (1) For periods of disability commencing on or after January 1, 2000, but before January 1, 2018, if the amount of wages paid an individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest exceeds one thousand seven hundred forty-nine dollars and twenty cents (\$1,749.20), the weekly benefit amount shall be equal to 55 percent of these wages divided by 13, but not exceeding the maximum workers' compensation temporary disability indemnity weekly benefit amount.

(2) Notwithstanding the maximum workers' compensation temporary disability indemnity weekly benefit amount of paragraph (1), if the benefit under this subdivision is not a multiple of one dollar (\$1), it shall be computed to the next higher multiple of one dollar (\$1).

(e) For periods of disability commencing on and after January 1, 2018, but before January 1, 2023, an individual's "weekly benefit amount" shall be as follows:

(1) When the amount of wages paid to the individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest is less than nine hundred twenty-nine dollars (\$929), then fifty dollars (\$50).

(2) When the amount of wages paid to the individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest is nine hundred twenty-nine dollars (\$929) or more, and is less than one-third of the amount of the state average quarterly wage, then 70 percent of the amount of wages paid to the individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest, divided by 13. If the weekly benefit amount is not a multiple of one dollar (\$1), it shall be computed to the next higher multiple of one dollar (\$1).

(3) Except as provided in paragraph (4), when the amount of wages paid to the individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest is one-third of the amount of the state average quarterly wage, or more, then either (A) 23.3 percent of the state average weekly wage or (B) 60 percent of the amount of wages paid to the individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest divided by 13, whichever amount is greater. If the weekly benefit amount is not a multiple of one dollar (\$1), it shall be computed to the next higher multiple of one dollar (\$1).

(4) An individual's "weekly benefit amount" shall not exceed the maximum workers' compensation temporary disability indemnity weekly benefit amount established by the Department of Industrial Relations pursuant to Section 4453 of the Labor Code.

(f) (1) For periods of disability commencing on or after January 1, 2023, if the amount of wages paid an individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest exceeds one thousand seven hundred forty-nine dollars and twenty cents (\$1,749.20), the weekly benefit amount shall be equal to 55 percent of these wages divided by 13, but not exceeding the maximum workers' compensation temporary disability indemnity weekly benefit amount established by the Department of Industrial Relations pursuant to Section 4453 of the Labor Code.

(2) Notwithstanding the maximum workers' compensation temporary disability indemnity weekly benefit amount of paragraph (1) of subdivision (d), if the benefit under this subdivision is not a multiple of one dollar (\$1), it shall be computed to the next higher multiple of one dollar (\$1).

(g) For purposes of this section:

(1) "State average quarterly wage" means the state average weekly wage multiplied by 13.

(2) "State average weekly wage" means the average weekly wage paid by employers to employees covered by unemployment insurance as reported by the United States Department of Labor for California for the 12 months ending on March 31 of the calendar year preceding the year in which the disability occurred.

**SEC. 13.** Section 2701 of the Unemployment Insurance Code is amended to read:

**2701.** (a) Disability benefits shall be paid by the department through public employment offices or other agencies approved by the director.

(b) Beginning January 1, 2024, the department shall provide a person entitled to receive disability benefits and family temporary disability insurance benefits under Chapter 7 (commencing with Section 3300) the option to receive payments by direct deposit, as regulated under the federal Electronic Fund Transfer Act (EFTA) (15 U.S.C. Sec. 1693 et seq.), into a qualifying account, as defined in subdivision (a) of Section 1339.1, of the recipient's choice, in addition to other alternative disbursement payment methods, including, but not limited to, debit cards and checks.

**SEC. 14.** Section 14005 of the Unemployment Insurance Code is amended to read:

**14005.** For purposes of this division:

(a) "Board" means the California Workforce Development Board.

(b) "Agency" means the Labor and Workforce Development Agency.

(c) "Career pathways," "career ladders," or "career lattices" are an identified series of positions, work experiences, or educational benchmarks or credentials with multiple access points that offer occupational and financial advancement within a specified career field or related fields over time. "Career pathways," "career ladders," and "career lattices" offer combined programs of rigorous and high-quality education, training, and other services that do all of the following:

(1) Align with the skill needs of industries in the economy of the state or regional economy involved.

(2) Prepare an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the National Apprenticeship Act of 1937 (29 U.S.C. Sec. 50 et seq.), except as in Section 3226 of Title 29 of the United States Code.

(3) Include counseling to support an individual in achieving the individual's education and career goals.

(4) Include, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

(5) Organize education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable.

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

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

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

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

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

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

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

(i) (1) "In-demand industry sector or occupation" means either of the following:

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

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

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

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

(1) Displaced homemakers.

(2) Low-income individuals.

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

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

(5) Older individuals.

(6) Ex-offenders.

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

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

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

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

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

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

(13) Long-term unemployed individuals.

(14) Transgender and gender nonconforming individuals.

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

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

(l) "Industry or sector partnership" means a workforce collaborative, convened or acting in partnership with the board or a local board, that does the following:

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

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

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

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

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

(A) State or local government.

(B) State or local economic development agencies.

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

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

(E) Other state or local agencies.

(F) Business or trade associations.

(G) Economic development organizations.

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

(I) Philanthropic associations.

(J) Industry associations.

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

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

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

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

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

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

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

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

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

(6) Typically are implemented at the regional level where sector firms, those employers described in subdivisions (j) and (l), often share a common labor market and supply chains. However, sector strategies may also be implemented at the state or local level depending on sector needs and labor market conditions.

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

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

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

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

(2) "Earn and learn" programs include, but are not limited to, all of the following:

(A) Apprenticeships.

(B) Preapprenticeships.

(C) Incumbent worker training.

(D) Transitional and subsidized employment, particularly for individuals with barriers to employment.

(E) Paid internships and externships.

(F) Project-based compensated learning.

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

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

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

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

(s) "High road training partnership" means an initiative or project that models strategies for developing industry-based, worker-focused training partnerships, including labor-management partnerships. High Road Training partnerships operate via regional, industry- or sector-based training partnerships comprised of employers, workers, and their representatives including organized labor, community-based organizations, education, training, and social services providers, and labor market intermediaries. High Road Training partnerships demonstrate job quality standards and employment practices that include, but are not limited to, the following:

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

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

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

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

(5) Safe and healthy working conditions.

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

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

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

(u) "Career advancement" means demonstrated progression along a career ladder as evidenced by both wage growth and occupational advancement.

**SEC. 15.** Section 14013 of the Unemployment Insurance Code is amended to read:

**14013.** The board shall assist the Governor in the following:

(a) Promoting the development of a well-educated and highly skilled 21st century workforce, and the development of a high road economy that offers an educated and skilled workforce with fair compensation and treatment in the workplace.

(b) Developing, implementing, and modifying the State Plan. The State Plan shall serve as the comprehensive framework and coordinated plan for the aligned investment of all federal and state workforce training and employment services funding streams and programs. To the extent feasible and when appropriate, the State Plan should reinforce and work with adult education and

career technical education efforts that are responsive to labor market trends, as well as economic trends that impact the labor market and workforce, including, but not limited to, climate change, automation of work, and employment.

(c) The review and technical assistance of statewide policies, of statewide programs, and of recommendations on actions that should be taken by the state to align workforce, education, training, and employment funding programs in the state in a manner that supports a comprehensive, high-quality, and streamlined workforce development system in the state, including the review and provision of comments on the State Plan, if any, for programs and activities of one-stop partners that are not core programs.

(d) Developing and continuously improving the statewide workforce investment system, including:

(1) The identification of barriers and means for removing barriers to better coordinate, align, and avoid duplication among the programs and activities carried out through the system.

(2) The development, promotion, and implementation of strategies, as well as the administration of, an field assistance for, programs to advance the use of career pathways for the purpose of providing individuals, including low-skilled adults, youth, and individuals with barriers to employment, and including individuals with disabilities, with workforce investment activities, education, and supportive services to enter or retain high-quality employment. To the extent permissible under state and federal laws, these policies and strategies should support linkages between kindergarten and grades 1 to 12, inclusive, and community college educational systems in order to help secure educational and career advancement. These policies and strategies may be implemented using a sector strategies framework and should ultimately lead to placement in a job providing economic security or job placement in an entry-level job that has a well-articulated career pathway or career ladder to a job providing economic security.

(3) The development, promotion, and implementation of strategies for providing effective outreach to and improved access for individuals and employers who could benefit from services provided through the workforce development system.

(4) The development, promotion, and implementation of strategies, as well as the administration of, and field assistance for, programs that meet the needs of employers, workers, and jobseekers, particularly through industry or sector partnerships related to in-demand industry sectors and occupations, including policies targeting resources to competitive and emerging industry sectors and industry clusters that provide economic security and are either high-growth sectors or critical to California's economy, or both. These industry sectors and clusters shall have significant economic impacts on the state and its regional and workforce development needs, including, but not limited to, California's transition to a carbon neutral economy, and have documented career opportunities.

(5) Consistent with the definitions in Section 14005, developing standards, procedures, and criteria for defining high road employers, high road jobs, high road workforce development, and high road training partnerships in California, in accordance with lessons learned from the board's ongoing high road workforce development initiatives.

(6) The administration, promotion, and expansions of, as well as field assistance for, high road training partnerships, as defined in Section 14005.

(7) The administration, promotion, and expansion of, as well as field assistance for, high road construction careers, as defined in Section 14005.

(8) Recommending adult and dislocated worker training policies and investments that offer a variety of career opportunities while upgrading the skills of California's workforce. These may include training policies and investments pertaining to any of the following:

(A) Occupational skills training, including training for nontraditional employment.

(B) On-the-job training.

(C) Incumbent worker training in accordance with Section 3174(d)(4) of Title 29 of the United States Code.

(D) Programs that combine workplace training with related instruction, which may include cooperative education programs.

(E) Training programs operated by the private sector.

(F) Skill upgrading and retraining.

(G) Entrepreneurial training.

(H) Transitional jobs in accordance with Section 3174(d)(5) of Title 29 of the United States Code.

(I) Job readiness training provided in combination with any of the services described in subparagraphs (A) to (H), inclusive.

(J) Adult education and literacy activities provided in combination with any of the services described in subparagraphs (A) to (G), inclusive.

(K) Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

(e) The identification of regions, including planning regions, for the purposes of Section 3121(a) of Title 29 of the United States Code, and the designation of local areas under Section 3121 of Title 29 of the United States Code, after consultation with local boards and chief elected officials.

(f) The development and continuous improvement of the one-stop delivery system in local areas, including providing assistance to local boards, one-stop operators, one-stop partners, and providers with planning and delivering services, including training services and supportive services, to support effective delivery of services to workers, job seekers, and employers.

(g) Recommending strategies to the Governor for strategic training investments of the Governor's 15-percent discretionary funds.

(h) Developing strategies to support staff training and awareness across programs supported under the workforce development system.

(i) The development and updating of comprehensive state performance accountability measures, including state-adjusted levels of performance, to assess the effectiveness of the core programs in the state as required under Section 3141(b) of Title 29 of the United States Code. As part of this process the board shall do all of the following:

(1) Develop a workforce metrics dashboard, to be updated annually, that measures the state's human capital investments in workforce development to better understand the collective impact of these investments on the labor market. The board shall determine the approach for measuring labor market impacts, provided that, to the extent feasible, the board uses statistically rigorous methodologies to estimate, assess, and isolate the impact of programs on participant outcomes. The workforce metrics dashboard shall be produced, to the extent feasible, using existing available data and resources that are currently collected and accessible to state agencies. The board shall convene workforce program partners to develop a standardized set of inputs and outputs for the workforce metrics dashboard. The workforce metrics dashboard shall do all of the following:

(A) Provide a status report on credential attainment, training completion, degree attainment, and participant earnings from workforce education and training programs. The board shall publish and distribute the final report.

(B) Provide demographic breakdowns, including, to the extent possible, race, ethnicity, age, gender, veteran status, wage and credential or degree outcomes, and information on workforce outcomes in different industry sectors.

(C) Measure, at a minimum and to the extent feasible with existing resources, the performance of the following workforce programs: community college career technical education, the Employment Training Panel, Title I and Title II of the federal Workforce Investment Act of 1998 (Public Law 105-220), Title I and Title II of the federal Workforce Innovation and Opportunity Act of 2014 (Public Law 113-128), Trade Adjustment Assistance, and state apprenticeship programs.

(D) Measure participant earnings in California, and to the extent feasible, in other states. The Employment Development Department shall assist the board by calculating aggregated participant earnings using unemployment insurance wage records, without violating any applicable confidentiality requirements.

(2) The State Department of Education is hereby authorized to collect the social security numbers of adults participating in adult education programs so that accurate participation in those programs can be represented in the workforce metrics dashboard. However, an individual shall not be denied program participation if the individual refuses to provide a social security number. The State Department of Education shall keep this information confidential, except, the State Department of Education is authorized to share this information, unless prohibited by federal law, with the Employment Development Department, the board, or the board's designee, who shall keep the information confidential and use it only to track the labor market and other outcomes described in subparagraph (A) of paragraph (1) of program participants in compliance with all applicable state and federal laws and mandates, including all performance reporting requirements under the Workforce Innovation and Opportunity Act.

(3) (A) Participating workforce programs, including, but not limited to, those specified in subparagraph (C) of paragraph (1), shall provide participant data in a standardized format to the Employment Development Department, the board, or the board's designee.

(B) The Employment Development Department, the board, or the board's designee, shall aggregate data provided by participating workforce programs and shall report the data, organized by demographics, earnings, and industry of employment, to the board to assist the board in producing the annual workforce metrics dashboard.

(4) The board shall ensure that a designee has the technical and operational capability of meeting appropriate privacy and security requirements.

(j) The identification and dissemination of information on best practices, including best practices for all of the following:

(1) The effective operation of one-stop centers, relating to the use of business outreach, partnerships, and service delivery strategies, including strategies for serving individuals with barriers to employment.

(2) The development of effective local boards, which may include information on factors that contribute to enabling local boards to exceed negotiated local levels of performance, sustain fiscal integrity, and achieve other measures of effectiveness.

(3) Effective training programs that respond to real-time labor market analysis, that effectively use direct assessment and prior learning assessment to measure an individual's prior knowledge, skills, competencies, and experiences, and that evaluate such skills, and competencies for adaptability, to support efficient placement into employment or career pathways.

(k) The development and review of statewide policies affecting the coordinated provision of services through the state's one-stop delivery system described in Section 3151(e) of Title 29 of the United States Code, including the development of all of the following:

(1) Objective criteria and procedures for use by local boards in assessing the effectiveness and continuous improvement of one-stop centers described in Section 3151(e) of Title 29 of the United States Code.

(2) Guidance for the allocation of one-stop center infrastructure funds under Section 3151(h) of Title 29 of the United States Code.

(3) Policies relating to the appropriate roles and contributions of entities carrying out one-stop partner programs within the one-stop delivery system, including approaches to facilitating equitable and efficient cost allocation in such a system.

(l) The development of strategies for technological improvements to facilitate access to, and improve the quality of, services and activities provided through the one-stop delivery system, including such improvements to all of the following:

(1) Enhance digital literacy skills, as defined in Section 9101 of Title 20 of the United States Code, referred to in this division as "digital literacy skills."

(2) Accelerate the acquisition of skills and recognized postsecondary credentials by participants.

(3) Strengthen the professional development of providers and workforce professionals.

(4) Ensure the technology is accessible to individuals with disabilities and individuals residing in remote areas.

(m) The development of strategies for aligning technology and data systems across one-stop partner programs to enhance service delivery and improve efficiencies in reporting on performance accountability measures, including the design and implementation of common intake, data collection, case management information, and performance accountability measurement and reporting processes and the incorporation of local input into such design and implementation, to improve coordination of services across one-stop partner programs.

(n) The development of allocation formulas for the distribution of funds for employment and training activities for adults, and youth workforce investment activities, to local areas as permitted under Sections 3163(b)(3) and 3173(b)(3) of Title 29 of the United States Code.

(o) The preparation of the annual reports described in paragraphs (1) and (2) of Section 3141(d) of Title 29 of the United States Code.

(p) The development of the statewide workforce and labor market information system described in Section 491–2(e) of Title 29 of the United States Code.

(q) By July 1, 2020, the development, in conjunction with the Employment Development Department and with input from local workforce development boards, of a policy regarding mutual aid agreements between and among local workforce development boards to enable them to effectively respond to disasters and that is consistent with applicable state and federal law.

(r) The development of other policies as may promote statewide objectives for, and enhance the performance of, the workforce development system in the state.

(s) Helping individuals with barriers to employment, including low-skill, low-wage workers, the long-term unemployed, and members of single-parent households, achieve economic security and upward mobility by implementing policies that encourage the attainment of marketable skills relevant to current labor market trends.



**SEC. 16.** Section 14014 is added to the Unemployment Insurance Code, to read:

**14014.** (a) Consistent with the intent of paragraph (3) of subdivision (b) of Section 14000, the California Workforce Development Board shall collect and report program and outcome data for its high road workforce programs.

(b) Pursuant to subdivision (a), all of the following shall apply:

(1) The Employment Development Department shall make available to the board any and all wage and employment data necessary to evaluate all relevant programs and grants.

(2) All grant applicants and program beneficiaries participating in a high road training partnership program shall provide any and all necessary information to the state to facilitate public transparency, accountability, and grant and program performance evaluation, including any relevant data needed to determine the outcomes and benefits of programming and grants funded for program participants, high road training partnerships, industry, and the workforce system.

(3) All grants and programming shall be evaluated using criteria, metrics, and data that include, but are not limited to, information pertaining to the ability of grantees and program administrators to conduct and complete relevant programming as demonstrated through appropriate quantitative and qualitative analysis, including the use of appropriate outcome metrics.

(4) For funds and grants providing direct workforce, training, and education services to individuals, the board shall report all of the following:

(A) Who is receiving the services, including data on the demographics of the individuals receiving services.

(B) The nature of the services received collected at the individual level.

(C) Data pertaining to participant program and employment outcomes of individuals receiving services including:

(i) The employment rates of individuals served to measure initial job placement and retention over time.

(ii) The wages and wage growth of individuals served during and after program participation.

(5) Recognizing that the outcome data specified in this section frequently lags program implementation activities, progress reports and interim evaluation reports consistent with the requirements of this section shall be provided to the Legislature by the board, after it receives and administers funding under the relevant budget allocations, by October 1 of even-numbered years utilizing whatever program participant and outcome data is available. The report shall also include, but not be limited to, the number of grants awarded, the average award amounts, geographic distribution of awards, and types of industries awarded.

(6) Final evaluation reports for all grants and programs shall be provided to the Legislature 18 months after all available labor market outcome data specified in this section becomes available.

**SEC. 17.** Section 14017 of the Unemployment Insurance Code is amended to read:

**14017.** (a) In efforts to expand job training and employment for allied health professions, the California Workforce Development Board, in consultation with the Division of Apprenticeship Standards, shall do the following:

(1) Identify opportunities for "earn and learn" job training opportunities that meet the industry's workforce demands and that are in high road, high-demand jobs.

(2) Identify and develop specific requirements and qualifications for entry into "earn and learn" job training models.

(3) Establish standards for "earn and learn" job training programs that are outcome oriented and accountable. The standards shall measure the results from program participation, including a measurement of how many complete the program with an industry-recognized credential that certifies that the individual is ready to enter the specific allied health profession for which the individual has been trained.

(4) Develop means to identify, assess, and prepare a pool of qualified candidates seeking to enter "earn and learn" job training models.

(b) (1) The board, on or before December 1, 2015, shall prepare and submit to the appropriate policy committees of the Legislature a report on the findings and recommendations of the board.

(2) The requirement for submitting a report imposed pursuant to this subdivision is inoperative on January 1, 2019, pursuant to Section 10231.5 of the Government Code.

(c) (1) The Department of Consumer Affairs shall engage in a stakeholder process to update policies and remove barriers to facilitate the development of earn and learn training programs in the allied health professions, including barriers identified in the report prepared by the board pursuant to subdivision (b), entitled Expanding Earn and Learn Models in the California Health Care Industry. The stakeholder process shall include all of the following:

(A) The department convening allied health workforce stakeholders, which shall include, but are not limited to, the department's relevant licensure boards, the Division of Apprenticeship Standards, representatives appointed by the board of governors from the California community college system, the California Workforce Development Board, and the State Department of Public Health, and which may include other relevant entities such as the Office of Statewide Health Planning and Development, employer and worker representatives, and community-based organizations.

(B) Addressing issues that include, but are not limited to, prec licensure classifications in allied health occupations that would allow students, in a supervised setting, to gain experience in their chosen field before obtaining licensure, and the payment of wages while in a workplace-based training program.

(C) The department ensuring that existing standards of consumer protection are maintained.

(D) Sharing any statutory barriers identified through this process with the relevant committees of the Legislature.

(2) The process described in paragraph (1) shall be completed by, and this subdivision shall be inoperative on, January 1, 2020.

**SEC. 18.** The Legislature finds and declares all of the following:

(a) California has one of the country's most diverse populations, including nearly 5,000,000 adults whose primary spoken or written language is not English.

(b) The Employment Development Department (EDD) offers a number of translation and interpretation services.

(c) It is the intent of the Legislature, in enacting the amendments to Sections 316 of the Unemployment Insurance Code made by this act, to take additional steps to ensure that all Californians seeking unemployment insurance services have meaningful access to EDD services and programs.

**SEC. 19.** The Legislature finds and declares that the addition of Section 340 to the Unemployment Code imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

In order to protect the fraud deterrence practices of the Employment Development Department, the interest in the public disclosure of fraud deterrence information is outweighed by the interest in maintaining the confidentiality of this information.

**SEC. 20.** This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.