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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair  
2023 - 2024 Regular Session

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### **SB 864 (Smallwood-Cuevas) - Workforce development: workplace rights curricula**

**Version:** March 22, 2023  
**Urgency:** No  
**Hearing Date:** April 24, 2023

**Policy Vote:** L., P.E. & R. 5 - 0  
**Mandate:** Yes  
**Consultant:** Robert Ingenito

**Bill Summary:** SB 864 would require the California Workforce Development Board (CWDB) to partner with the Employment Development Department (EDD) and Labor and Workforce Development Agency (LWDA) to develop workplace rights curricula and ensure local workforce development boards are providing that workplace rights information to prospective employees.

#### **Fiscal Impact:**

- CWDB, EDD, and LWDA indicate that administrative costs would be minor and absorbable.
- By requiring local workforce development boards to perform specified duties, this bill creates a state-mandated local program. To the extent the Commission on State Mandates determines that the provisions of this bill create a new program or impose a higher level of service, counties could claim reimbursement of those costs (General Fund). The magnitude of these costs is unknown, but potentially in excess of \$50,000 per year (General Fund).

**Background:** The federal Workforce Investment Act of 1998, later replaced by the Workforce Innovation and Opportunity Act (WIOA) in 2014, provides funding for activities and programs for job training and employment investment in which states may participate, including work incentive and employment training outreach programs. CWIB has the responsibility of developing a unified, strategic planning process to coordinate various education, training and employment programs into an integrated workforce development system that supports economic development. Local workforce development boards bring together employers, community leaders, labor, education, policymakers, and the public to facilitate dialogue and respond to local workforce needs at the regional level. There are 45 workforce development boards within the 49 Local Workforce Development Areas throughout California, each tasked with ensuring those seeking work can access job placement and training services.

Current law requires local boards developing a local plan to, among other things, carry out analyses of the economic conditions in the region, the needed knowledge and skills for the region, the workforce in the region, and workforce development activities, including education and training. Additionally, local boards are required to develop and submit to the Governor a comprehensive four-year local plan to include, among other things, strategic planning elements, analyses of the workforce region and development

activities, alignment of resources available to the local area, and a description of the one-stop delivery system. (Unemployment Insurance Code)

According to a report from the Wage Claims Adjudication Unit of the Labor Commissioner's Office within DIR, nearly 40 million dollars in wages were recovered in 2021. That same year a total of 18,609 claims were filed, representing approximately 60,700 alleged violations. These violations include unpaid minimum wages, unpaid overtime, meal and rest break violations, and a significant number of claims alleging failure to provide paid sick leave. A significant share of these wage claims were made in the restaurant and retail sectors where job seekers served through the state's career centers are frequently placed after receiving job search and placement assistance

**Proposed Law:** This bill would, among other things, do the following:

- Require CWDB to assist the Governor in partnering with the Labor Commissioner and other subject matter experts to develop workplace rights curricula to include, but not be limited to training regarding a worker's rights and protections relative to wage theft, sexual harassment, discrimination, right to organize, and health and safety.
- Require CWDB to assist the Governor in partnering with the Labor Commissioner in providing the workplace rights curricula to all persons receiving individualized career services, supportive services, or training services through the California workforce system, including, but not limited to, those who receive either short-term prevocational services or are engaged in workforce preparation activities.
- Require local workforce development boards to ensure workplace rights training to all individuals receiving individualized career services, supportive services, or training services through the California workforce system, including, but not limited to, all individuals who receive either short-term prevocational services or who are engaged in workforce preparation activities. Require local boards to include in their local plan a description of how they plan to comply with the workplace rights training requirement in this bill.

**Related Legislation:**

- AB 2148 (Mullin, Chapter 385, Statutes of 2014) required CWDB to assist the Governor in the development of a workforce metrics dashboard to measure the labor market outcomes of specified workforce development programs, including federally funded WIOA Title I and Title II programs, Community College career education programs, the Employment Training Panel's incumbent worker training programs, and apprenticeship programs overseen by the Division of Apprenticeship Standards.
- SB 734 (DeSaulnier, Chapter 498, Statutes of 2012) imposed requirements related to the expenditure of WIA funds on job training programs, including increasing WIA funds provided to local boards and requiring the Employment Development Department to monitor compliance.