

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1980 (Caloza) – As Amended April 16, 2026

Policy Committee: Labor and Employment

Vote: 7 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill requires, upon appropriation, the Department of Industrial Relations (DIR) to establish the Equal Representation in Construction Apprenticeship (ERiCA) grant program.

Specifically, this bill:

- 1) Requires, upon appropriation, DIR to establish through its Division of Apprenticeship Standards (DAS) the ERiCA grant program to increase equitable access to building and construction career pathways for women, non-binary individuals, and underrepresented populations in California.
- 2) Requires DIR to prioritize applications from qualified organizations with registered pre-apprenticeship and apprenticeship programs that serve women, non-binary individuals, and underrepresented populations who also meet additional criteria, such as being low-income, unemployed, or a single parent.
- 3) Provides for the allowable use of grant funds, such as providing direct participant stipends to offset lost wages and enable full apprenticeship participating or providing supportive services necessary to improve participant retention, including childcare assistance, transportation support, case management, and referrals for housing or family stabilization services.
- 4) Requires each grantee to report outcome data to DIR and requires DIR to provide a summary report to the Legislature to support ongoing oversight, budget evaluation, and potential program expansion.
- 5) Authorizes DIR to issue regulations and guidelines to implement the program, including application criteria, grant requirements, and performance measures.

FISCAL EFFECT:

Ongoing cost pressures of an unknown amount, likely in the tens of millions of dollars annually, to appropriate funds to DIR to continue administering a permanent and more expansive ERiCA grant program (General Fund (GF)). The author is requesting a budget appropriation in the 2026-27 state budget to support ERiCA. For reference, DAS awarded approximately \$25 million during the first round of grants for program year (PY) 2023-2025 and approximately \$26.2 million during the second round of grants for PY 2025-27, and DAS would likely continue to utilize approximately 15% of appropriated funds for ongoing program administration costs.

COMMENTS:1) **Purpose.** According to the author:

Despite making up more than half of our country's population, the [construction industry] has been historically male-dominated, and too many talented and capable women stay on the sidelines, not realizing that these opportunities are within reach. AB 1980 turns opportunity into success, equipping women – especially from historically underrepresented populations – with the training, stipends, and support services they need to provide for their families, while building long-term, thriving careers in skilled trades.

This bill is co-sponsored by the California Commission on the Status of Women and Girls and Women in Non Traditional Employment Roles and supported by other workplace equity groups.

2) **Women in Construction.** Nationally, women comprise just 11% of the construction industry, and only 4.3% of hands-on trades jobs, such as electricians, carpenters, and plumbers. SB 191 (Committee on Budget and Fiscal Review), Chapter 67, Statutes of 2022, established the Women in Construction Priority Unit within DIR to assist women and nonbinary individuals in the construction industry, as well as provide resources to employers and project owners to improve worksite culture and address barriers to employment. SB 154 (Committee on Budget and Fiscal Review), Chapter 43, Statutes of 2022, appropriated \$60 million GF to DAS to support the Unit and stated the intent of the Legislature that \$15 million “will be provided on an ongoing basis to support this unit.”

Since the Unit's inception, DIR has used approximately \$9 million for staffing, program evaluation and outreach, and other administrative costs, with the remaining \$51 million awarded through the ERiCA grant program. This bill codifies ERiCA in statute, while also expanding the allowable use of grant funds. Existing program funding has generally been limited to uses related to recruitment, childcare, and worksite culture, but this bill allows funds to be used for direct participant stipends to offset lost wages and transportation support, for example, among other new methods to improve participant retention. This bill also requires DIR to prioritize applications from qualified organizations serving certain populations.

3) **Related Legislation.** AB 2550 (Caloza) requires the Employment Development Department to collect data on construction workers who are women. AB 2550 is pending hearing by this committee.

Analysis Prepared by: Irene Ho / APPR. / (916) 319-2081