
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1980 (Caloza) - Labor: apprenticeship: Equal Representation in Construction Apprenticeships Grant Program

Version: June 8, 2026

Urgency: No

Hearing Date: June 29, 2026

Policy Vote: L., P.E. & R. 5 - 0

Mandate: No

Consultant: Robert Ingenito

Bill Summary: AB 1980 would direct the Department of Industrial Relations (DIR), upon appropriation by the Legislature, to establish the Equal Representation in Construction Apprenticeships Grant Program (ERiCA Grant Program), as specified.

Fiscal Impact: This bill would result in an annual cost pressure of an unknown amount, likely in the tens of millions of dollars annually, to appropriate funds to DIR to continue administering the ERiCA Grant Program (General Fund). DIR's Division of Apprenticeship Standards (DAS) awarded \$25 million during the first round of grants for 2023-25 and \$26 million during the second round of grants for 2025-27. DIR indicates that its annual costs to administer the Program would total \$1.4 million on an ongoing basis (General Fund).

Background: The building and construction trades provide a significant pathway to middle-class employment through well-paying careers that typically include health care, retirement benefits, and opportunities for advancement. As California continues to invest in housing production, infrastructure modernization, and climate-resilient development, demand for skilled construction workers remains strong. At the same time, women and other historically underrepresented populations continue to comprise a relatively small share of the construction workforce, particularly within skilled trades occupations. Policymakers and industry stakeholders have increasingly focused on expanding access to apprenticeship and career opportunities in the trades as a means of addressing workforce shortages while promoting greater workforce diversity.

As part of the 2022-23 Budget Act, the Legislature established the Women in Construction Priority Unit within DIR. The Unit was created to support the recruitment, retention, and advancement of women and nonbinary individuals in the construction industry. Its responsibilities include providing resources to workers, employers, labor organizations, and apprenticeship programs; developing educational and training materials; promoting inclusive workplace practices; and supporting career advancement opportunities within the trades.

The budget package also established a Women in Construction Advisory Committee composed of representatives from labor organizations, employers, apprenticeship programs, labor-management groups, and state agencies. The committee is charged with developing recommendations to increase participation by underrepresented populations in the construction workforce and improve industry practices that affect recruitment and retention.

Using funding provided in successive Budget Acts from 2022 through 2025, DIR established the ERiCA Grant Program. The program is intended to increase access to apprenticeship and pre-apprenticeship opportunities for women, nonbinary individuals, and other underrepresented populations by supporting recruitment, retention, and workforce participation efforts.

The program provides grants in three primary areas:

- Recruitment and outreach, including efforts to increase awareness of apprenticeship opportunities and expand participation among historically underrepresented groups.
- Childcare support, including financial assistance to help apprentices and pre-apprentices overcome barriers related to dependent care responsibilities.
- Worksite culture and retention, including mentoring, training, community-building activities, and other efforts designed to foster inclusive and supportive workplace environments.

As noted above, DIR awarded \$25 million during the initial grant cycle and has awarded an additional \$26 million during the second funding round, which is expected to continue through June 2027.

Grant funding is available to a variety of entities involved in apprenticeship and workforce development, including nonprofit organizations, community-based organizations, workforce development boards, educational institutions, labor organizations, and registered apprenticeship and pre-apprenticeship programs. Applicants must demonstrate experience serving underrepresented populations in the construction industry and are evaluated based on factors such as program effectiveness, projected outcomes, and implementation feasibility.

Grantees are subject to ongoing reporting requirements intended to ensure accountability for the use of state funds. Reporting generally includes narrative progress updates, expenditure information, and performance metrics demonstrating participant engagement and program outcomes.

Since the Women in Construction Priority Unit and the ERiCA Grant Program were established through budget appropriations, both currently have no dedicated funding beyond amounts previously authorized by the Legislature.

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

- Require, upon appropriation by the Legislature, DIR, through DAS, to establish and administer the EERiCA Grant Program.
- Require DIR to issue a competitive request for applications for qualified organizations (as specified) that provide registered preapprenticeship programs and registered apprenticeship programs designed to prepare women, nonbinary individuals, and underrepresented populations for entry into the building and construction trades.

- Require DIR, when awarding grants, to prioritize applications from qualified organizations that have programs that serve women, nonbinary individuals, and underrepresented populations who meet specified criteria.
- Authorize grant funds to only be used for specified purposes.
- Require each grantee to report specified outcome data to DIR, including, but not limited to, all of the following, if applicable to the purpose of the grant.
- Require DIR to provide a summary report to the Legislature, as specified, to support ongoing oversight, budget evaluation, and potential program expansion.
- Authorize DIR to issue rules, regulations, guidelines, policies, or procedures necessary to implement these provisions, including application criteria, grant requirements, and performance measures.

Related Legislation:

- AB 2550 (Caloza) would require the Employment Development Department to collect and report to the Legislature specified data related to the state's construction workforce, including the current number of construction workers who are women. This bill is pending in the Senate Labor, Public Employment and Retirement Committee.
- SB 101 (Committee on Budget and Fiscal Review, Chapter 4, Statutes of 2025) among other provisions, appropriated \$14,993,000 to support the Women in Construction Priority Unit within DIR.
- AB 107 (Gabriel, Chapter 22, Statutes of 2024) among other provisions, appropriated \$15 million to support the Women in Construction Priority Unit within DIR.
- SB 105 (Committee on Budget and Fiscal Review, Chapter 862, Statutes of 2023) among other provisions, appropriated \$15 million to support the Women in Construction Priority Unit within DIR.
- SB 154 (Committee on Budget and Fiscal Review, Chapter 43, Statutes of 2022) among other provisions, appropriated \$60 million to DAS and required it to be used, in part, to support the Women in Construction Priority Unit within DIR; provided that it is the intent of the Legislature that \$15 million be provided on an ongoing basis to support this unit.
- SB 191 (Committee on Budget and Fiscal Review, Chapter 67, Statutes of 2022) among other provisions, required DIR to establish a Women in Construction Priority Unit to coordinate and help ensure collaboration across DIR's divisions, and maximize state and federal funding to support women and nonbinary individuals in the construction workforce.
- SB 1115 (Skinner, 2022) would have required, upon appropriation by the Legislature, the DIR to establish a Women in Construction Priority Unit to

coordinate and help ensure collaboration across the DIR's divisions and maximize state and federal funding to support women and non-binary individuals in the construction workforce. This bill was held in the Assembly Appropriations Committee.

- AB 2358 (Carrillo, Chapter 675, Statutes of 2018) prohibited discrimination in any building and construction trades apprenticeship program on the basis of certain enumerated categories with regards to acceptance into or participation in the program as specified.
- AB 2288 (Burke, Chapter 692, Statutes of 2016) required the California Workforce Development Board and local workforce development boards to ensure specified funds go toward programs and services that develop a plan for outreach and retention for women participants in pre-apprenticeship programs.

Staff Comments: As noted above, this bill would codify the ERiCA Grant Program in statute and require DIR to report to the Legislature on program activities and outcomes. The reporting requirement is intended to support legislative oversight, inform future budget decisions, and provide information regarding the effectiveness and potential expansion of the program. The eligibility criteria, allowable activities, and administrative framework established by the bill largely reflect the structure currently used by DIR to administer ERiCA grants.

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