
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2634 (Zbur) - Workforce development: High road training partnerships: scoring preference

Version: April 14, 2026

Urgency: No

Hearing Date: August 3, 2026

Policy Vote: L., P.E. & R. 4 - 1

Mandate: No

Consultant: Robert Ingenito

Bill Summary: AB 2634 would require the California Workforce Development Board (CWDB) to provide a scoring preference to an applicant that is a bona fide labor-management cooperation committee (LMCC), as defined, or an entity applying on their behalf, when awarding grants for a high road training partnership (H RTP) program or any successor program, as specified.

Fiscal Impact:

- This bill would result in ongoing cost pressures, likely in the tens of millions of dollars annually (General Fund), to appropriate additional funding to CWDB to continue awarding H RTP grants with a scoring preference for LMCCs. The funding appropriated for H RTP grants in the 2024 Budget Act has been fully awarded, and no additional funding is currently available.
- CWDB would incur implementation costs of \$78,000 in 2026-27, \$156,000 in 2027-28, and \$78,000 in 2028-29 (General Fund) to revise H RTP program guidelines, solicitations, and grant agreements if additional funding for H RTP grants is appropriated. CWDB indicates these costs would only be incurred if and when a future appropriation for H RTP grants is provided, and the timing of implementation would depend on when that funding becomes available.

Background: CWDB oversees California's workforce development system and is responsible for developing and implementing the state's workforce strategy, including the Unified Strategic State Plan. In coordination with 45 local workforce development boards (LWDBs), the Employment Development Department (EDD), employers, labor organizations, educational institutions, and community-based organizations, the CWDB helps align workforce training and employment programs with regional labor market needs. Through the America's Job Center of California network, LWDBs provide job seekers with employment, training, and career services while connecting employers with qualified workers.

Established by the CWDB in 2017, the H RTP initiative supports sector-based partnerships among employers, labor organizations, workforce development entities, educational institutions, and community organizations to expand access to high-quality jobs and meet industry workforce needs. H RTPs emphasize job quality, including competitive wages and benefits, career advancement opportunities, worker training, safe working conditions, compliance with labor laws, and worker participation. Since its inception, the program has supported partnerships across multiple industries—including

healthcare, hospitality, transportation, logistics, and public sector employment—and the CWDB has awarded tens of millions of dollars through successive H RTP and related workforce grant programs.

The federal Labor Management Cooperation Act of 1978 authorizes joint labor-management committees to promote collaboration between employers and employee representatives on issues such as workforce development, productivity, and economic competitiveness.

Proposed Law: This bill would do the following:

- Require CWDB to, when awarding grants for an H RTP program or any successor program, provide a scoring preference to an applicant that meet either of the following criteria: (1) the applicant is a bona fide labor-management cooperation committee (as defined), and (2) the applicant is an entity applying on behalf of a bona fide labor-management cooperation committee and submits written authorization from that committee as part of its application.
- Require CWDB to determine the amount of the scoring preference, as specified, and incorporate that preference into program guidelines and grant solicitations.
- Specify that this does not require CWDB to award a grant to an applicant solely on the basis of the specified preference.

Related Legislation:

- AB 338 (Solache, Chapter 532, Statutes of 2025) required CWDB to allocate appropriated funds to the Los Angeles County Department of Economic Opportunity for workforce strategies, such as H RTPs, among other things, to ensure a skilled and sufficient workforce for the scale of rebuilding and recovery of areas in the counties of Los Angeles and Ventura impacted by the 2025 wildfires, as specified.
- SB 822 (Durazo, 2023) would have required the Department of Industrial Relations and the CWDB, within LWDA, to collectively be responsible for among other duties, creating high road evaluation metrics, consulting with stakeholders, and providing for meaningful public input on the development and evaluation of high road evaluation metrics. The bill would require CWDB to also assist in developing standards, procedures, and criteria for high road contracting and high road procurement, as specified. This bill was vetoed by Governor Newsom.
- SB 779 (Becker, Chapter 223, Statutes of 2021) amended the list of “earn and learn” programs by specifying that an “earn and learn” program includes transitional jobs, as described in the federal WIOA, and subsidized employment with an employer of record, which may include, but not be limited to, an employment social enterprise, as defined, or a worker cooperative, as defined, particularly for individuals with barriers to employment.
- SB 700 (Durazo, 2021) would have established the High Road Employment Program to assist state agencies in complying with specified High Road

Employment Plan requirements and with appropriate planning, inclusive decision making, and fair disbursement of community and worker support resources. It also would have required each bidder for a contract with the state, as a condition of eligibility for such a contract, to submit a High Road Employment Plan to the Department of General Services that includes certification, under penalty of perjury, that all workers are properly classified, as specified, and that includes certain job information. This bill was held under submission on the Suspense File of the Assembly Appropriations Committee.

Staff Comments: As noted previously, this bill would require CWDB to provide a scoring preference, the amount of which would be determined by the board, to applicants that are bona fide labor-management cooperation committees—or entities applying on their behalf—when awarding H RTP grants. The bill would require the preference to be incorporated into grant guidelines and solicitations but specifies that the preference does not require the CWDB to award a grant solely on that basis.

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