

CONCURRENCE IN SENATE AMENDMENTS

AB 2634 (Zbur)

As Amended August 13, 2026

Majority vote

SUMMARY

Requires the California Workforce Development Board (CWDB) to, when awarding grants for the high road training partnership (H RTP) program or any successor program, provide a scoring preference to an applicant that meets either of the following criteria: 1) The applicant is a bona fide labor-management cooperation committee (LMCC). 2) The applicant is an entity applying on behalf of or in partnership with a bona fide LMCC and submits written authorization from that committee as part of its application.

Senate Amendments

- 1) Clarify that a "bona fide LMCC" also includes a collective bargaining agreement or a memorandum of understanding that is jointly established and administered by one or more employers and one or more labor organizations, as specified.
- 2) Clarify that the scoring preference may also be provided to an applicant that is an entity applying *in partnership with* a bona fide labor-management cooperation committee and that submits written authorization from that committee as part of its application.

COMMENTS

Under both the Governor Brown and Newsom Administration, California has prioritized the "high road" model for workforce development. What distinguishes this workforce development model from others is a strong focus on collaboration between labor and industry. As described by the CWDB, H RTPs work with the California Jobs First Initiative¹ "to forge and nurture industry partnerships around regional job sectors to improve equity, climate resilience, and job quality. This proven model increases access to good jobs, creates pathways for job growth, meets workforce needs, and builds worker voice." H RTPs are viewed "as intentional efforts by leaders within a particular industry—including employers and workers—to come together to solve immediate problems and overcome longer term challenges in their industry."² Another crucial element of an H RTP is the prioritization of determining the *needs of an industry* before developing the applicable training. H RTPs are not formed to build workforce programs, rather they are a "dynamic way to meet what the industry itself determines is needed... Successful H RTPs start with the jobs."³

According to the Author

According to the author, "Quality "High Road" jobs deliver family-sustaining wages, comprehensive benefits (health insurance, pensions), and safe working conditions. "High Road" jobs are the backbone of a strong middle class — creating pathways out of poverty, raising wages, and improving lives for working people. When labor and management co-invest in

¹The California Jobs First Initiative is a 600 million program aimed at creating quality jobs and fostering sustainable economic growth across California's 13 regions. See <https://jobsfirst.ca.gov/>.

² "Taking the High Road: High Road Training Partnerships: A Path to Reimagine and Rebuild Our Economy," UC Berkeley Labor Center, May 2020, p. 1.

³ *Ibid.* at 2.

workforce development, the result is stronger industries, a more resilient workforce, and a more competitive California economy.

At a time of rapid economic transformation driven by automation, climate transition, and shifting labor markets, California's ability to remain competitive depends on how effectively it aligns workforce development with real industry needs.

AB 2634 aligns High Road funding requirements with California's vision for a true "High Road" workforce by strengthening the High Road Training Partnerships (HRTPs) funding requirements to ensure workforce investments lead to good-paying, high-quality jobs."

Arguments in Support

Building Skills Partnership is in support and states, "By protecting proven labor-management partnerships, this measure leverages the power of Collective Bargaining Agreements (CBAs) to tie training investments directly to real wage increases, job ladders, and safety standards. When unions and employers jointly design curriculum, they create a resilient system where worker skills reflect actual industry demand rather than theoretical pipelines; furthermore, as these partnerships raise standards in union settings, they create a "competitive-up" effect that pressures non-union employers to improve conditions, effectively lifting the floor for entire sectors across California.

Today, we are at a critical inflection point. Recent shifts toward "business-first" models with limited connection to job quality weaken one of California's most effective workforce tools. As workforce investments recalibrate toward high-wage sectors, we risk abandoning workers in industries essential to our economy—including janitorial, hospitality, airport services, security, and food service. Without intentional public investment, incumbent workers in these sectors cannot access upskilling because traditional funding formulas (like ETP) skew toward higher-wage occupations."

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Senate Appropriations Committee,

- 1) 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.
- 2) 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.

VOTES:**ASM LABOR AND EMPLOYMENT: 7-0-0**

YES: Ortega, Alanis, Chen, Elhawary, Kalra, Lee, Ward

ASM APPROPRIATIONS: 13-1-1

YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta

NO: Tangipa

ABS, ABST OR NV: Dixon

ASSEMBLY FLOOR: 67-8-5

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Chen, Connolly, Davies, Elhawary, Flora, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO: DeMaio, Ellis, Gallagher, Hadwick, Johnson, Macedo, Sanchez, Tangipa

ABS, ABST OR NV: Castillo, Dixon, Lackey, Muratsuchi, Celeste Rodriguez

SENATE FLOOR: 29-9-2

YES: Allen, Archuleta, Arreguín, Ashby, Becker, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Jones, Laird, McGuire, McNerney, Menjivar, Padilla, Pérez, Reyes, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

NO: Alvarado-Gil, Choi, Dahle, Grove, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ABS, ABST OR NV: Blakespear, Limón

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