

SENATE THIRD READING
SB 1059 (Archuleta)
As Amended August 13, 2026
Majority vote

SUMMARY

Requires the Employment Training Panel (ETP) to authorize and encourage the use of electronic systems for recordkeeping, as specified; adopt specified recordkeeping and training administration standards; and update regulations, guidance and program materials to implement the bill's provisions.

Major Provisions

- 1) Requires the ETP to authorize and encourage the use of electronic systems for recordkeeping.
- 2) Authorizes, notwithstanding any other law, contractors and subcontractors under an ETP agreement to satisfy recordkeeping and documentation requirements through electronic records, provided that the records are complete, accurate, secure, and accessible for audit and oversight purposes.
 - a) Requires the ETP to update regulations, guidance, and program materials to implement this provision.
- 3) Requires the ETP to adopt recordkeeping and training administration standards that include, but are not limited to, the following requirements:
 - a) Contractors shall maintain and make available, upon request by the ETP or its designee, all of the following:
 - i) Records that clearly document all aspects of training delivery, trainee participation, and retention outcomes related to the approved training program.
 - ii) Applicable financial records documenting funds received and disbursed under the ETP agreement.
 - iii) Payroll and personnel records related to employees participating in the ETP training agreement.
 - b) All classroom, laboratory, and videoconference training attendance records shall contain, at a minimum, all of the following elements:
 - i) Date or dates on which training occurred. For concurrent or continuous training, a start date and end date may be used.
 - ii) Type of training and course title, as identified in the approved curriculum.
 - iii) Number of hours the trainee was in attendance per session or course.
 - iv) Name or names of the trainer or trainers.
 - v) Name or names of the trainees.

- c) All asynchronous, web-based training attendance records shall contain, at a minimum, the following elements:
 - i) The date the training system was last accessed for the specific course.
 - ii) Type of training and course title, as identified in the approved curriculum.
 - iii) Standard number of hours designated to complete the course.
 - iv) Percentage of the course completed by the trainee.
 - v) Name of the trainee.
- 4) Requires electronic records maintained pursuant to 3) above to have the same force and effect as paper records and to be retained for the period required by the ETP.
- 5) Prohibits structured onsite training (SOST) from being considered an eligible training delivery methodology for purposes of reimbursement or approval under the ETP program.
- 6) Requires the ETP to adopt or amend regulations and guidance as necessary to implement 3)-5) above.

COMMENTS

The ETP is a joint labor-business state agency funded by an Employment Training Tax paid by California employers. The ETP reimburses the cost of employer-driven training for incumbent workers, as well as funds training to assist unemployed workers in re-entering the workforce.

As stated on the ETP's website, "ETP's role in the economy is derived from its initial mandate in 1982 of moving large numbers of unemployed workers quickly into employment and saving the jobs of workers threatened with displacement. The program has expanded that role over the years to include an increased support of retraining incumbent workers of businesses in basic industries challenged by out-of-state competition (primarily the manufacturing and high technology sectors). Today, ETP focuses on supporting job creation and business attraction, retention, and expansion, as well as the re-employment and retention of workers."

The ETP funds training that is delivered using the following methods:

- 1) *Classroom*: formal instruction provided in a classroom setting that is removed from the trainee's usual work environment, and is provided regularly under the direct guidance of a qualified trainer;
- 2) *Laboratory*: hands-on instruction or skill acquisition conducted in a non-productive environment, or simulated work setting;
- 3) *Productive Laboratory*: trainers supervise employees in hands-on, on-the-job settings where actual production work is taking place;
- 4) *E-Learning*: real-time interactive training conducted in a virtual environment with a live instructor;

- 5) *Computer-Based Training*: self-paced training provided via software platforms;
- 6) *Medical Skills – Didactic*: health care field training provided via classroom setting; and
- 7) *Medical Skills – Preceptor*: clinical training during which a trainee observes hands-on skills performed by a registered nurse or other practitioner (preceptor/mentor) in an active work environment.

(Note: This bill prohibits structured onsite training (SOST) from being considered an eligible training delivery methodology for purposes of reimbursement or approval under the ETP program. While SOST does not appear in the list of eligible training methodologies above, it does still appear in the ETP regulations. The author and sponsor assert that this contradiction could create confusion for future applicants and is one of the outdated provisions that this bill seeks to correct.)

The ETP program is performance-based, requiring employers to provide proof that training hours have been completed and trainees have been retrained in well-paying jobs for a specific period of time at a specified wage before the ETP reimburses payment. Currently, the ETP requires training records to be documented on ETP rosters or approved custom rosters with wet signatures. Employers working under an ETP contract can request an alternate form of recordkeeping, but requests require ETP approval and must be resubmitted for each new contract.¹

According to the Author

"SB 1059 would make important, needed updates to the ETP's statutory framework to better align the program with current training practices. By authorizing the use of electronic systems for application processing, reporting, and recordkeeping, the bill would streamline program administration, reduce unnecessary paperwork, and improve overall efficiency. Permitting contractors to maintain compliant electronic records would also promote greater clarity and consistency while preserving accountability and audit integrity. In addition, by directing the ETP to update outdated nomenclature, eliminate obsolete processes, and align program guidance with modern training delivery methods, SB 1059 would help ensure that the program remains responsive to the evolving needs of employers."

Arguments in Support

The Coalition for ETP and Jobs, sponsor of this measure, writes that "The ETP program remains one of the state's most effective tools for supporting high-wage, high-skill job retention and economic competitiveness. SB 1059 takes an important step forward by updating ETP's statutory framework to reflect how training programs operate today. In particular, the bill's authorization of electronic systems for application processing, reporting, and recordkeeping will help streamline program administration, reduce unnecessary paperwork, and improve overall program efficiency. Allowing contractors to maintain compliant electronic records will also provide greater clarity and consistency while maintaining accountability and audit integrity."

¹ ETP Program Overview, https://etp.ca.gov/wp-content/uploads/sites/70/2025/07/ETP_DetailedProgramOverview_July2025.pdf

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Appropriations Committee, costs of approximately \$100,000 to the Employment Development Department (EDD), for the ETP to adopt electronic recordkeeping and training administration standards and update related regulations, guidance, and program materials (Employment Training Fund). EDD notes that this estimate may increase if the ETP determines additional services are required to implement this bill.

Although this bill requires the ETP to adopt standards for electronic recordkeeping and training administration, this bill does not explicitly require the ETP to implement electronic systems – rather, this bill requires the ETP to authorize and encourage the use of such electronic systems. However, by authorizing an ETP contractor to satisfy recordkeeping requirements through electronic records, thus requiring the ETP to accept such records, this bill may ultimately require the ETP to implement electronic systems and make related information technology upgrades.

VOTES**SENATE FLOOR: 33-0-7**

YES: Archuleta, Arreguín, Ashby, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Ochoa Bogh, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ABS, ABST OR NV: Allen, Alvarado-Gil, Becker, Hurtado, Niello, Padilla, Stern

ASM LABOR AND EMPLOYMENT: 7-0-0

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

ASM APPROPRIATIONS: 11-0-4

YES: Wicks, Arambula, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache

ABS, ABST OR NV: Hoover, Dixon, Ta, Tangipa

UPDATED

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