

SENATE THIRD READING  
SB 275 (Smallwood-Cuevas)  
As Amended September 2, 2025  
Majority vote

## SUMMARY

Modifies the eligibility review process for training providers that are on the Workforce Innovation and Opportunity Act of 2014 (WIOA) eligible training provider list (ETPL).

### Major Provisions

- 1) Prohibits an approved training provider who has submitted verification of completion of continued eligibility requirements through a local workforce development board (LWDB) from being removed from the ETPL until a determination has been made that the provider or program does not meet eligibility requirements.
- 2) Requires continued eligibility reviews to be conducted once every two fiscal years in a manner determined by the Employment Development Department (EDD).
- 3) Declares that it is the intent of the Legislature in enacting this bill to streamline the continued eligibility process for trainees, trainers, LWDBs and the EDD.

## COMMENTS

The federal WIOA requires states to establish and maintain a list of training providers that are eligible to receive WIOA funds for training services, including classes, online courses, apprenticeships and more. This list is known as the ETPL. There is a statewide California ETPL as well as local ETPLs.

### *California ETPL vs. Local ETPLs:*

LWDBs and the EDD are responsible for working together to identify providers for the California ETPL. This statewide list creates a pool of providers that local workforce development boards can utilize to establish their local ETPL.

LWDBs may have additional requirements for their local ETPL on top of those for the California ETPL (except for apprenticeships – LWDBs must include all California ETPL-approved apprenticeship programs on their local ETPL). Those LWDBs that have additional local requirements may result in providers that are on the California ETPL that are not eligible for inclusion on the local ETPL. However, LWDBs cannot include training providers on their list that are not approved for the California ETPL.<sup>1</sup>

### *Roles of state entities in establishing and maintaining the California ETPL:*

The CWDB is required to establish initial and subsequent eligibility criteria for the California ETPL using specified considerations (see existing law above).

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<sup>1</sup> ETPL Policy and Procedures. Employment Development Department. wsd21-03att1.docx

The EDD is responsible for publishing, disseminating, and maintaining the California ETPL with performance and cost information. The EDD is also responsible for ensuring programs meet the eligibility criteria and performance levels established by the CWDB; removing programs that do not meet the program criteria or performance levels; and taking enforcement actions against providers that intentionally provide inaccurate information, or that substantially violate the requirements of the WIOA.

*Eligibility review process:*

To be added to the California ETPL, training providers must meet the below eligibility requirements. Once the Local Area ETPL Coordinator confirms the applicant as an eligible training provider, providers can submit their training programs for the California ETPL.

- 1) Be accredited through a U.S. Department of Education-recognized accrediting body.
- 2) Program(s) must lead to either a credential or training-related employment.
- 3) Provide training in "in-demand" occupations, as defined.
- 4) Not debarred from doing business with the federal government.
- 5) Provide all required documentation and follow ETPL Policy and Procedures.
- 6) Program(s) must be able to report at least one year of performance information.

Currently, continued eligibility is verified on a 365-day cycle, rather than on a biannual basis, as permitted under federal guidelines. The author argues that this creates an unnecessary administrative burden for providers, LWDBs, and EDD staff. Additionally, the author argues that the 365-day cycle results in limited access to employment and wage data, which may disqualify eligible providers due to underreported performance metrics.

**According to the Author**

"Federal guidance permits states to collect continued eligibility data of training providers at an interval not to exceed two years. In most states, coordinators submit continued eligibility information on a biannual basis. In California, this data needs to be submitted not on an annual basis, but on a rigid 365-day cycle, meaning that providers, coordinators, and EDD staff are required to process this information to the day. In addition to allowing these groups workflow freedom, switching to a biannual reporting cycle allows parties more time to accurately collect, report, and transmit data without sacrificing quality of services and programs provided.

When continued eligibility data is submitted, EDD, according to their self-published directive, should review these applications and render a decision within 30 days of receiving. Due to staffing shortages, this is not currently happening. Unfortunately, if a provider is not reviewed within 30 days, they are removed from the ETPL. In some local areas, this has resulted in 100% of providers falling off the list.

SB 275 eases undue reporting burdens on the California ETPL for career training providers, local workforce coordinators, and the EDD by allowing providers to submit continued eligibility documents on a biannual basis, instead of a 365 day basis, and to allow EDD to keep providers on the list if EDD has not been able to review their continued eligibility within 30 days."

**Arguments in Support**

The California Workforce Association, cosponsor of this bill, states "The EDD states in its directive that, when reviewing continued eligibility submissions, it will review and render a decision within 30 days of receiving the continued eligibility application. Due to staffing shortages and other constraints, this is not happening. When this happens, providers fall off the ETPL. This has resulted in providers being removed from the list simply due to administrative delays rather than noncompliance. In some areas, this has resulted in 100% of providers falling off the list. SB 275 offers a practical solution by allowing providers to submit continued eligibility documents biannually and ensuring that they remain on the ETPL while their applications are under review. These changes will enhance efficiency, reduce administrative bottlenecks, and prevent disruptions in workforce training services that are essential to California's economic growth and workforce development goals."

**Arguments in Opposition**

None on file.

**FISCAL COMMENTS**

According to the Assembly Appropriations Committee, one-time costs of approximately \$500,000 (Contingent Fund) to EDD to: (a) update ETPL policy and procedures impacting the initial and subsequent eligibility review processes, including publishing guidance for LWDBs, (b) update information technology systems to support such changes. EDD notes that a prior similar ETPL program revision required approximately two years to complete, and estimates needing up to 30 months to implement this bill.

**VOTES****SENATE FLOOR: 38-0-2**

**YES:** Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

**ABS, ABST OR NV:** Limón, Reyes

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

**YES:** Ortega, Flora, Chen, Elhawary, Kalra, Lee, Ward

**ASM APPROPRIATIONS: 11-0-4**

**YES:** Wicks, Arambula, Calderon, Caloza, Elhawary, Fong, Mark González, Ahrens, Pacheco, Pellerin, Solache

**ABS, ABST OR NV:** Sanchez, Dixon, Ta, Tangipa

**UPDATED**

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