SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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UNFINISHED BUSINESS

Bill No: SB 275

Author: Smallwood-Cuevas (D), et al.

Amended: 9/2/25 in Assembly

Vote: 21

SENATE LABOR, PUB. EMP. & RET. COMMITTEE: 5-0, 3/26/25

AYES: Smallwood-Cuevas, Strickland, Cortese, Durazo, Laird

SENATE APPROPRIATIONS COMMITTEE: 6-0, 5/23/25

AYES: Caballero, Seyarto, Cabaldon, Grayson, Richardson, Wahab

NO VOTE RECORDED: Dahle

SENATE FLOOR: 38-0, 5/29/25

AYES: 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 NO VOTE RECORDED: Limón, Reyes

ASSEMBLY FLOOR: 78-1, 9/8/25 - See last page for vote

SUBJECT: Eligible training provider list

SOURCE: California Workforce Association

DIGEST: This bill prohibits an approved training provider from being removed from the eligible training provider list (ETPL), if the provider has submitted verification of completion of continued eligibility requirements through a local workforce development board, as specified, and requires continued eligibility reviews to be conducted once every two fiscal years, as specified.

Assembly Amendments of 9/2/25 removed the requirement for local workforce development boards to submit continued eligibility reviews of providers on the ETPL to the Employment Development Department (EDD), as specified.

ANALYSIS:

Existing federal law establishes the Workforce Innovation and Opportunity Act (WIOA) to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. (Title 29 United States Code (U.S.C.) §3101-3361)

Existing state law:

- 1) Establishes the California Workforce Development Board (CWDB), under the purview of the Labor and Workforce Development Agency, as the body responsible for assisting the Governor in the development, oversight, and continuous improvement of California's workforce system, including its alignment to the needs of the economy and the workforce. (Unemployment Insurance Code (UIC) §14010 et seq.)
- 2) Provides that the CWDB, in collaboration with state and local partners, including the California Community Colleges Chancellor, the State Department of Education, other appropriate state agencies, and local workforce development boards must develop the State Plan to serve as a framework for the development of public policy, employment services, fiscal investment, and operation of all state labor exchange, workforce education, and training programs to address the state's economic, demographic, and workforce needs. The strategic workforce plan must be prepared in a manner consistent with the requirement of the federal WIOA of 2014. (UIC §14020)
- 3) Requires CWDB to do the following in order to support the requirement of the State Plan:
 - a) Identify industry sectors and industry clusters that have a competitive economic advantage and demonstrated economic importance to the state and its regional economies.
 - b) Identify industry sectors and industry clusters with substantial potential to generate new jobs and income growth for the state and its regional economies.
 - c) Provide a skills-gap analysis enumerating occupation and skills shortages in the industry sectors and industry clusters as having strategic importance to the state's economy and its regional economies. Skills-gap analysis for the state and its regional economies must use labor market data to specify a list of high-priority, in-demand occupations for the state and its regional

- economies. This list must be used to inform investment decisions and eligible training provider policies.
- d) Establish, with input from local workforce development boards and other stakeholders, initial and subsequent eligibility criteria for the federal WIOA of 2014 eligible training provider list that effectively directs training resources into training programs leading to employment in high-demand, high-priority, and occupations that provide economic security, particularly those facing a shortage of skilled workers. (UIC §14020(d))
- 4) Establishes eligibility criteria, to the extent feasible, which must use performance and outcome measures to determine whether a provider is qualified to remain on the eligibility list. At a minimum, initial and subsequent eligibility criteria shall consider the following:
 - a) The relevance of the training program to the workforce needs of the state's strategic industry sectors and industry clusters.
 - b) The need to plug skills gaps and skills shortages in the economy, including skills gaps and skills shortages at the state and regional level.
 - c) The need to plug skills gaps and skills shortages in local workforce development areas.
 - d) The likelihood that the training program will lead to job placement in a job providing economic security or job placement in an entry-level job that has a well-articulated career pathway or career ladder to a job providing economic security.
 - e) The need for basic skills in combination with programs that provide occupational skills training for individuals with barriers to employment and those who would otherwise be unable to enter occupational skills training.
 - f) To the extent feasible, local boards must utilize criteria that measure training and education provider performance, including, but not limited to, the following:
 - i.) Measures of skills or competency attainment.
 - ii.) Measures relevant to program completion, including measures of course, certificate, degree, licensure, and program of study rate of completion.
 - iii.) For those entering the labor market, measures of employment placement and retention.
 - iv.) For those continuing in training or education, measures of educational or training progression.
 - v.) For those who have entered the labor market, measures of income, including wage measures. (UIC §14020 (d)(4))

This bill:

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

Background

California Workforce Development Board and the State Plan. The CWDB was established in 1998, as outlined in the federal Workforce Investment Act. In 2014, the Workforce Investment Act was replaced by the WIOA, which outlined the vision and structure through which state workforce training and education programs are funded and administered regionally and locally. WIOA mandates the creation of a statewide strategic workforce plan. Every few years, the CWDB, in conjunction with its statewide partners, releases the Unified Strategic State Plan (State Plan).

In order to support the requirement of the State Plan, CWDB was required to establish initial eligibility criteria for the federal WIOA eligible training provider list that directs training resources into training programs leading to high-demand, high-priority employment, and occupations that provide economic security, particularly those facing a shortage of skilled workers. CWDB also established eligibility criteria, to the extent feasible, which used performance and outcome measures to determine whether a provider is qualified to remain on the eligibility list.

California Eligible Training Provider List. The ETPL helps adults and people who have lost their jobs find training programs. The ETPL includes approved places that offer different types of training, including classes, online courses, and apprenticeships. The ETPL was created by the Workforce Investment Act of 1998

and updated by the WIOA of 2014. The training providers on this list are funded through WIOA to help cover training costs.

Training providers who would like to be added to the ETPL, must register by creating an account on CalJOBS. After registering, the local workforce development boards will review the application. If the training providers are approved as an eligible training provider, they can submit training programs to be listed on the ETPL.

EDD is the entity responsible for publishing, disseminating, and maintaining the comprehensive ETPL with performance and cost information. In addition, EDD is 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 established; and taking enforcement actions against providers that intentionally provide inaccurate information, or that substantially violate the requirements of WIOA.

Prior/Related Legislation

SB 1270 (Eduardo Garcia, Chapter 94, Statutes of 2015) made necessary changes to existing workforce development statutes to conform to the new federal guidelines under the WIOA while preserving core elements of California's workforce development policies. This bill updated statutory references to the Workforce Investment Act of 1998 to instead refer to the WIOA and make related conforming changes. This bill also renamed the CWIB the CWDB and revised the membership of the board. Finally, this bill renamed the local boards as local workforce development boards and revised their duties consistent with the federal WIOA.

SB 118 (Lieu, Chapter 562, Statues of 2013) required the former CWIB, now called the CWDB, to incorporate specific principles into the State Plan that align the education and workforce investment systems of the state to the needs of the 21st century economy and promotes a well-educated and highly skilled workforce to meet the future workforce needs. SB 118 also established, with input from local workforce development boards and other stakeholders, initial and subsequent eligibility criteria for the WIOA ETPL that effectively directs training resources into training programs leading to employment in high-demand, high-priority, and high-wage occupations, as specified.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Assembly Appropriations Committee:

- One-time costs of approximately \$500,000 (Contingent Fund) and ongoing costs of approximately \$500,000 (Consolidated Work Program 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, and (c) hire additional staff to review provider applications and meet applicable federal deadlines within this bill's compressed timeline. 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.
- Minor and absorbable costs across the 45 LWDBs to submit the required ETPL reviews to EDD every two years. The sponsor of this bill notes that EDD currently requires LWDBs to submit reviews annually and reducing report frequency will alleviate related staff workload costs for LWDBs. If the Commission on State Mandates determines this bill's requirements to be a reimbursable state mandate, the state would need to reimburse these costs to local agencies.

SUPPORT: (Verified 9/8/25)

California Workforce Association (Source)

Association of Community and Continuing Education

Alameda County Workforce Development Board

Apple Valley Adult School

Association of Community and Continuing Education

Bakersfield Adult School

Bay Area Community College Consortium

Beaumont Adult School

Butte Community College

Cabrillo Community College District

California Adult Education Administrators Association

California Council for Adult Education

California Edge Coalition

Capital Adult Education Regional Consortium

Castro Valley Adult and Career Education

CAUSE Impacts

Chaffey Community College District

Citrus College

City of Riverside

Coast Community College District

College of the Siskiyous

Consumnes River College Franklin Career Center

Copper Mountain College

County of Kern

County of Los Angeles Board of Supervisors

Cuesta Community College

Eastbay Works

Elk Grove Adult and Community Education

Escondido Adult School

Fairfield-Suisun Adult School

Fontana Adult School

Foothill Workforce Development Board

Fresno City College

Fresno Regional Workforce Development Board

Golden Sierra Workforce Development Board

Grossmont Community College

Hartnell Community College District

Imperial County Workforce Development Board

L. M. Lewis Consulting

Lake Elsinore Unified School District

Lake Elsinore Valley Adult School

Laney College

Laney Community College

Lassen Community College

Los Angeles Cleantech Incubator

Los Angeles Valley College

Martinez Adult Education

Mendocino College

Mendocino Community College District

Mendocino-lake Adult and Career Education Consortium

Merritt Community College

Mid-alameda County Consortium for Adult Education

Mira Costa Community College District

Miracosta College

Modesto Junior College

Monterey County Workforce Development Board

Moreno Valley Community College

Mother Lode Job Training

Mt. Diablo Adult Education

Mt. Sac School of Continuing Education

Mt. San Antonio College

Mt. San Jacinto Community College District

Murrieta Valley Adult School

Norco Community College

North Orange County Community College District

North Orange County Regional Occupational Program

North Orange County ROP Education Center

Novaworks

Oakland Adult and Career Education

Oakland Private Indistry Council

Oakland Workforce Development Board

Opportunity Junction

Oxnard Community College

Palo Verde College

Palo Verde Community College District

Pittsburg Adult Education Center

Pittsburg Adult School

Placer School for Adults

Redlands Adult School

Richmond Workforce Development Board

Richmond Works

Rio Hondo College

Rio Hondo Community College

Riverside Adult School

Riverside Community College

Riverside Community College District

Rubicon Programs

Saddleback College

Salinas Adult School

San Benito County Workforce Development Board

San Bernardino Community College District

San Bernardino Valley College

San Bernardino Valley Community College Applied Technology Center

San Diego & Imperial Counties Community Colleges Regional Consortium

San Diego Community College District

San Francisco Office of Economic & Workforce Development

San Juan Adult Education

San Mateo Adult and Career Education

Santa Barbara Community College District

Santiago Canyon Community College

Shasta Community College South Bay Workforce Investment Board Southwest Riverside Adult Education Consortium Southwestern Community College District Taft Community College The Anaheim Workforce Development Board The League Xs The Unity Council Tri-valley Career Center Unite-la, INC. Visalia Adult School Vista Adult School West Contra Costa Adult Education West Hills College Lemoore West Valley Community College Whittier Union Adult School Woodland Adult Education Workforce Alliance of The North Bay Workforce Development Board of Madera County

Workforce Development Board of Solano County

OPPOSITION: (Verified 9/8/25)

None received

ARGUMENTS IN SUPPORT:

According to the sponsors, the California Workforce Association: "As the sponsor of SB 275, we recognize the critical role that the [California Eligible Training Provider List (ETPL)] plays in providing job seekers with access to high-quality training programs that align with California's workforce needs. However, the current requirement that training providers submit continued eligibility documentation every 365 days—rather than on a biannual basis, as permitted under federal guidelines—creates an unnecessary administrative burden for providers, local workforce boards, and EDD staff. One of the challenges with the 365-day cycle is limited access to employment and wage data, which may disqualify eligible providers due to underreported performance metrics.

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."

ASSEMBLY FLOOR: 78-1, 9/8/25

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

NOES: DeMaio

NO VOTE RECORDED: Nguyen

Prepared by: Jazmin Marroquin / L., P.E. & R. / (916) 651-1556 9/8/25 19:44:51

**** END ****