
VETO

Bill No: SB 275
Author: Smallwood-Cuevas (D), et al.
Enrolled: 9/12/25
Vote: 27

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: 40-0, 9/9/25
AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

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.

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 through 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 California Eligible Training Provider List (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.

The Employment Development Department (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 Workforce Innovation and Opportunity Act (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 California Workforce Investment Board (CWIB) the California Workforce Development Board 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, Statutes of 2013) required the former California Workforce Investment Board (CWIB), now called the California Workforce Development Board (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 Eligible Training Provider List (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 10/8/25)

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 Industry 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 10/8/25)

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."

GOVERNOR'S VETO MESSAGE:

This bill would ease the eligibility review process for training providers on the Eligible Training Provider List (ETPL) under the Workforce Innovation and Opportunity Act of 2014 by establishing a uniform two-year review window.

I share the author's commitment to expanding access to high-quality training programs and preventing unnecessary disruptions in the eligibility review process. As part of that commitment, my administration established an advisory group earlier this year to engage in a collaborative, bottom-up approach to improving the ETPL process. The work of the advisory group, which includes representatives from local workforce boards, training providers, community organizations, community colleges, and adult education programs, is ongoing.

This bill undermines the advisory group's effort and could delay necessary reforms. Moreover, this measure may conflict with federal rules that require the first continued eligibility review to occur within one year of a provider's initial approval, rather than two.

For these reasons, I cannot sign this bill.

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
10/8/25 14:26:42

**** END ****