

CALIFORNIA APPRENTICESHIP COUNCIL
1515 Clay Street, Suite 1902
Oakland, CA 94612
Tel: (415) 703-4920
Fax: (510) 286-144



LEGISLATION COMMITTEE MINUTES

Chairperson Yvonne de la Peña
Wednesday, February 1, 2023

I. Call to Order/Roll Call

Meeting was called to order.

Members present: Yvonne de la Peña, Christopher Christophersen Sr., Larry Hopkins,

Mitch De Anda, Sheri Learmonth, Mark Burri, Earl Restine and Chief Eric Rood

Absent: Paul Von Berg

A quorum was met.

II. Review/Approve Previous Minutes

A motion and a second for approval of the October 19, 2022, meeting minutes. All approved. The motion carried.

III. Review of New Bills

Commissioner DelaPena stated that we do not have bills other than the Budget bill was approved.

IV. Governor's Budget Review

Discussed SB 72 and AB 221.

(2) 5670019-Apprenticeship..... \$73,195,000

(3) 5670023-Apprenticeship Training and Instruction..... \$53,818,000

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3. (a) (1) The funds appropriated in Schedule (2) shall be available pursuant to Article 3 (commencing with Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. Funds appropriated pursuant to this subdivision shall be available for encumbrance or expenditure until June 30, 2026. (2) Pursuant to Section 79149.3 of the Education Code, the reimbursement rate shall be \$9.71 per hour. (b) Of the funds appropriated in Schedule (2) \$30,000,000 shall be used for the California Apprenticeship Initiative pursuant to Section 79148.1 of the Education Code. Funds appropriated pursuant to this subdivision shall be available for encumbrance or expenditure until June 30, 2029.

4. (a) The funds appropriated in Schedule (3) shall be available pursuant to Article 8 (commencing with Section 8150) of Chapter 1 of Part 6 of Division 1 of Title 1 of the Education Code. Funds appropriated pursuant to this subdivision shall be available for encumbrance or expenditure until June 30, 2026. (b) Pursuant to Section 8152 of the Education Code, the reimbursement rate shall be \$9.71 per hour.

Changes in RSI funding and hours:

- RSI hourly rate increased by \$.89 from \$8.82 to \$9.71 (8.13% COLA)
- The funds are available for use for up to 3 years.
- At the new rate, RSI hours remained about the same for Schedule (2) – Community Colleges programs and Schedule (3) – Department of Education programs. There was a reduction of \$45,000,000 in Schedule (2) which was a one-time allocation in last year's budget.

Other Budget Bill items regarding apprenticeship and pre-apprenticeship: (4) 6110-

Division of Apprenticeship Standards..... \$95,000,000

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1. Of the amount appropriated in Schedule (4), \$20,000,000 shall be used to support the California Youth Apprenticeship Program for encumbrance or expenditure until June 30, 2025. It is the intent of the Legislature that \$25,000,000 will be provided in 2024–25 to support this program.
2. Of the funds appropriated in Schedule (4), \$15,000,000 shall be used to support the Women in Construction Priority Unit established at the Department of Industrial Relations pursuant to Section 107.7 of the Labor Code.
3. Of the amount appropriated in this item, \$11,250,000 in Schedule (2), \$8,750,000 in Schedule (3), and \$5,000,000 in Schedule (1) shall be available on a one-time basis to support the California COVID-19 Workplace Outreach Project.
4. Of the amount appropriated in Schedule (4), \$60,000,000 shall be available for the Apprenticeship Innovation Funding program. These funds shall be available for encumbrance or expenditure until June 30, 2025.

Item: 7120-001-3228—For support of California Workforce Development Board,
 payable from the Greenhouse Gas Reduction

Fund..... \$2,844,000

Schedule: (1) 6040-California Workforce Development

Board..... \$2,844,000 Provisions: 1. The

funds appropriated in this item shall be used to support apprenticeship and job training programs for workers and disadvantaged individuals consistent with the State Strategic Workforce Development Plan, including support for training opportunities necessary to transition the state's workforce to a low carbon economy.

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2. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2025. Schedule: (1) 6040-California Workforce Development Board
\$ 120,400,000

Provisions: (NOTE: Not all provisions are listed, just those that seemed to relate to apprenticeship)

1. Of the amount appropriated in Schedule (1), \$45,000,000 shall be for the development and expansion of High Road Training Partnerships for health and human services. These funds shall be available for encumbrance or expenditure until June 30, 2026, for support or local assistance. Up to 5 percent of the amount appropriated in this provision may be used for administrative costs.

Questions and Comments were taken from the apprenticeship community.

Proposition 98

The education budget reflects and ongoing commitment to funding. The revised estimates of General Fund revenues modestly reduce the Proposition 98 Guarantee. Proposition 98 funding for K-12 schools and community colleges for 2023-24 is \$108.8 billion. This represents a decrease of approximately \$1.5 billion relative to the 2022 Budget Act. The Guarantee continues to be in a Test 1 for all years 2021-22 through 2023-24. This means that the funding level of the Guarantee is equal to roughly 38 percent of General Fund revenues, plus local property tax revenues.

Community College Funding

The budget includes a continued focus on the CCC multi-year roadmap and a focus on enrollment. The proposed budget includes \$13.5 billion in All Funds and \$8.9

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billion in Total State Funds. Of note, the Governor's budget includes the following proposals related to flexibility and dual enrollment.

1. PROVIDING FLEXIBILITY FOR DISTRICTS MEETING CCC ROADMAP GOALS

a. To support a continued focus toward the goals of the multi-year roadmap, the Administration intends to introduce a mechanism as part of the May Revision to provide community college districts that are making progress toward the CCC roadmap goals with additional categorical program spending flexibilities and the ability to consolidate reporting requirements across specified and to be determined categorical programs, provided the goals of the categorical programs and overall progress toward the roadmap goals continue to be met. Under the proposal, districts making progress would have the opportunity to submit a streamlined report for the specified programs, as well as spend funds more flexibly across the programs.

2. PROVIDING SERVICE-LEARNING OPPORTUNITIES THROUGH DUAL ENROLLMENT

a. In furtherance of the CCC roadmap and compacts with the UC and CSU, the Administration requests community colleges establish dual enrollment agreements with all applicable local educational agencies within their community college districts' service area, if they have not done so already. Further, the Administration requests that all community colleges develop and offer a one-unit servicelearning course that all high school students would have the ability to access through dual enrollment opportunities. These service-learning opportunities would serve to

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encourage and enable high school students to volunteer in their local communities and to participate in civic engagement.

Labor and Workforce Development

The Labor Agency budget has been the place for many apprenticeships related investments in recent years. The proposed budget includes some adjustments to key areas in apprenticeship and workforce development. Below is a brief overview of some of the changes:

- **Apprenticeship Innovation Fund**—The 2022 Budget Act committed \$175 million General Fund over three years (\$55 million in 2022-23 and \$60 million in each 2023-24 and 2024-25) at the Department of Industrial Relations to invest in and expand non-traditional apprenticeships. The Budget proposes to withdraw \$40 million (\$20 million in each 2023-24 and 2024-25)—reducing the total three-year investment to \$135 million.

If there is sufficient General Fund in January 2024, this reduction will be restored.

See the Introduction Chapter for further information on this trigger.

- **Women in Construction Unit**—The 2022 Budget Act committed \$15 million General Fund ongoing at the Department of Industrial Relations to promote and support women and non-binary individuals in skilled trade careers. The Budget proposes to pause this funding in 2023-24 and 2024-25—and resume funding of \$15 million General Fund ongoing in 2025-26. If there is sufficient General Fund in January 2024, this pause will be withdrawn. See the Introduction Chapter for further information on this trigger.

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- **Emergency Medical Technician Training**—The 2022 Budget Act committed \$60 million General Fund over three years (\$20 million in each 2022-23, 2023-24, and 2024-25) at the Employment Development Department to provide targeted emergency medical technician training. The Budget proposes to withdraw \$20 million (\$10 million in each 2023-24 and 2024-25)—reducing the total three-year investment to \$40 million. If there is sufficient General Fund in January 2024, this reduction will be restored. See the Introduction Chapter for further information on this trigger.

Summary

In sum, the Governor’s budget reflects an interest in protecting many programs and investments from recent years by seeking to delay implementation or adjust fund sources rather than cut programs entirely. The Legislature will begin to review the Governor’s budget proposal in the coming weeks as they work toward the deadline of June 15, 2023, to adopt the Budget.

Questions and Comments were taken from the apprenticeship community. Discussed federal registration of apprentices.

V. Adjournment

This meeting adjourned at 11:35 am.