



Employment Training Panel

MEMORANDUM

To: Panel Members

cc: Reginald Javier, Executive Director
Peter Cooper, Assistant Director

From: Michael A. Cable, Legal Counsel

Subject: Legislative Update

Date: August 2020

The following bills are pending in the current 2018-19/19-20 legislative session that have a *potential* or *direct* impact on the Employment Training Panel (ETP) program:

BUDGET BILLS

- **AB 89: (Ting) Budget Act of 2020 (2019-2020)**

Summary: This bill would amend the Budget Act of 2019 by appropriating \$500,000,000 from the General Fund to be used for any purpose related to the Governor's March 4, 2020 proclamation of a state of emergency. This bill would authorize additional appropriations in increments of \$50,000,000, up to a total appropriation of \$1,000,000,000. The bill would amend the act to state the Legislature's intent that the administration work with stakeholders, including members of the Legislature and legislative staff, to develop strategies to be considered for inclusion in the Budget Act of 2020 to provide assistance related to the impacts of COVID-19. The bill would amend the act by adding an item of appropriation to the Department of Resources Recycling and Recovery.

Status: 06/29/2020; Chaptered by Secretary of State – Chapter 7, Statutes of 2020.

- **AB 1863: Budget Act of 2020**

Summary: This bill expresses the intent of the Legislature to enact statutory language to the Budget Act of 2020.

Status: 07/01/2020: Referred to Senate Committee on Budget and Fiscal Review.

- **AB 1917: (Ting) Budget Act of 2020 (2019-2020)**

Summary: This bill would make appropriations for the support of state government for the 2020–21 fiscal year.

Status: 1/17/20 Referred to Com. on BUDGET

- **SB 808: (Mitchell) Budget Act of 2020**

Summary: This bill would make appropriations for the support of state government for the 2020–21 fiscal year.

Status: 06/10/2020; From committee with author's amendments. Read second time and amended. Re-referred to Senate Committee on Budget and Fiscal Review.

ASSEMBLY BILLS

- **AB 1035 (Ramos) COVID-19 emergency; small business; immunity from civil liability**

Summary: This bill would exempt a small business with 25 or fewer employees from liability for an injury or illness to a person due to coronavirus (COVID-19) based on a claim that the person contracted COVID-19 while at that small business, or due to the actions of that small business. The bill would require the small business, for this exemption to apply, to have implemented and abided by all applicable state and local health laws, regulations, and protocols. The bill would not permit this exemption to apply if the injury or illness resulted from a grossly negligent act or omission, willful or wanton misconduct, or unlawful discrimination by the business or an employee of the business. The bill would apply these provisions only during the timeframe in which the state of emergency related to the COVID-19 pandemic is effective. The bill would repeal these provisions on January 1, 2023. The bill would include related legislative findings. This bill would declare that it is to take effect immediately as an urgency statute.

Status: Re-referred to Senate Judiciary committee.

- **AB 1457 (Reyes & Cervantes) Regional business training center network; pilot project**

Summary: This bill would require the Employment Training Panel (ETP) to establish a pilot project to create a regional business training center network of at least ten (10) sites through a partnership with the California Community Colleges, Governor's Office of Business and Economic Development (GO-Biz), and the Labor and Workforce Development Agency. This bill would also require ETP to submit two (2) annual reports on the activities of this pilot project, and a final report that includes an overall summary of the activities and effectiveness of this pilot project. The purpose of this bill is to establish a statewide network of regional-based business training centers to support the upskilling of workers to meet the demand for jobs within essential industry sectors during the COVID-19 pandemic, as well as the demand within emerging and dominant industry sectors in a post COVID-19 economy.

Status: On 08/17/2020, Referred to Senate Appropriations committee. On 08/18/2020, set for hearing on 08/20/2020.

- **AB 1492 (Horvath) Employment; Telecommuting Act.**

Summary: This bill would authorize any nonexempt employee working from home who is not under the physical control of the employer to choose when to take any meal or rest period during the workday, if the employer has not already scheduled a meal or rest period within the requirements of the law. The bill would require an employer to only pay one additional hour of pay if for each day that the employer fails to notify the employee of the employee's right to take a break or requires an employee to work without a meal or rest period. The bill would also authorize an employee working from home to receive legally required notices and postings electronically and sign certain documents electronically. This bill would also require an employer, unless the employer provides the equipment, to reimburse or indemnify an employee working from home for all physical equipment in the home reasonably necessary to perform the employee's work, including, but not limited to, a computer, a printer, and a scanner. The bill would require an employer to reimburse or indemnify an employee who works from home for a reasonable percentage of the employee's monthly internet and telephone costs to the extent those costs are necessary for performance of their work duties, as provided. The bill would prohibit an employer from retaliating against an employee who seeks reimbursement or indemnification for the allowable expenses.

Status: On 08/11/2020, in Assembly Transportation committee, Hearing canceled at the request of the author.

- **AB 1731 (Horvath) Unemployment insurance work sharing plans**

Summary: This bill, until January 1, 2024, would create an alternative process for the submission and approval of employer work sharing plan applications. The bill would require the Director of Employment Development to accept an application to participate in, or renew participation in, the work sharing program that is submitted electronically and would require the Employment Development Department to create a portal on its internet website for the provision and receipt of these applications. Among other things, the bill would require participating employers and employees to meet the required unemployment insurance claim filing and weekly certification requirements and for employers to be responsible for the completeness and integrity of work sharing certification forms issued to participating employees. The bill would require that these provisions be implemented consistently with the requirements of federal law.

Status: In Senate Appropriations committee; Committee Hearing Date 08/20/2020.

- **AB 1839 (Bonta) Economic, environmental, and social recovery: California COVID-19 Recovery Deal**

Summary: Would enact the California COVID-19 Recovery Deal. The bill would make a series of legislative findings and declarations pertaining to the coronavirus (COVID-19) pandemic and various economic, environmental, and social conditions in the state. The bill would state the intent of the Legislature that the state adopt a policy framework with principles and goals committed to accomplish specified economic, environmental, and social objectives and priorities as part of the state's COVID-19 recovery spending. The bill would state that the Legislature establishes various spending rules for the COVID-19 recovery, including adopting spending measures that prohibit

businesses, organizations, or agencies from accepting public funds for any long-term projects that prolong the emission of greenhouses gases or lead to the expansion of fossil fuel projects and ensuring that recovery spending includes specific measures for California populations and communities most negatively impacted by COVID-19.

Status: 05/11/2020; Re-referred to Assembly Committee on Natural Resources.

- **AB 2669: (Irwin) Information security**

Summary: Current law establishes the Office of Information Security within the Department of Technology for the purpose of ensuring the confidentiality, integrity, and availability of state systems and applications and to promote and protect privacy as part of the development and operations of state systems and applications to ensure the trust of the residents of this state. The law requires an entity within the executive branch that is under the direct authority of the Governor to implement the policies and procedures issued by the office. The law additionally authorizes the office to conduct, or require to be conducted, an independent security assessment of every state agency, department, or office, as specified. The law authorizes the Military Department to perform an independent security assessment of any state agency, department, or office. This bill would require state agencies not covered by the provisions described above to adopt and implement information security and privacy policies, standards, and procedures based upon standards issued by the National Institute of Standards and Technology and the Federal Information Processing Standards, as specified.

Status: 5/5/20 Re-referred to Assembly Committee on Privacy and Consumer Protection.

- **AB 2702: (Burke) Bioscience worker training initiative**

Summary: Existing law establishes in state government the Labor and Workforce Development Agency in the Department of Industrial Relations to foster, promote, and develop the welfare of the wage earners of California and to advance their opportunities for profitable employment, among other duties. Under existing law, the agency consists of the Office of the Secretary of Labor and Workforce Development and the California Workforce Development Board, among others. This bill would require the office and the board to establish, in collaboration with the California Economic Strategy Panel, a bioscience worker training initiative for the purpose of making California workers more skilled in the competitive global biosciences manufacturing and science value chain, as defined. The bill would require the initiative to be conducted in partnership with specified sectors and entities, including the state's life science industry sector and the Employment Development Department, to develop a strategy to support regionally based workforce intermediaries to provide one-time trainings, retraining, and ongoing training in advanced scientific research and development.

Status: 05/05/20 Re-referred to Assembly Committee on Labor & Employment.

- **AB 3307 (Cunningham, Horvath, Chau, Chen, Quirk-Silva, Ramos, and Rivas): The California Manufacturing Emergency Preparedness Act of 2020.**

Summary: This bill would enact the California Manufacturing Emergency Preparedness Act of 2020, which would authorize I-Bank to establish the California Manufacturing Disaster Loan and Loan Guarantee Program for the purpose of attracting, retaining, retooling, establishing, and expanding manufacturing facilities, and logistics capacity in the state, and would require I-Bank to establish guidelines for the implementation and oversight of the program. The bill would prohibit I-Bank from commencing the program until it adopts a resolution finding that there is sufficient funding in the account to cover the costs of implementing the program and that the I-Bank has sufficient direction from the Director of the Office of Emergency Services, as provided. The bill would require I-Bank to provide for the development and administration of the program, as specified, and would require program applicants to demonstrate satisfaction of specified requirements. The bill would also require each applicant to pay a nonrefundable application fee, as provided.

Status: On 08/13/2020, in Senate Appropriations committee, Set for hearing on 08/20/2020.

SENATE BILLS

- **SB 53 (Wilk) Open meetings**

Summary: Would specify that the definition of “state body” includes an advisory board, advisory commission, advisory committee, advisory subcommittee, or similar multimember advisory body of a state body that consists of 3 or more individuals, as prescribed, except a board, commission, committee, or similar multimember body on which a member of a body serves in their official capacity as a representative of that state body and that is supported, in whole or in part, by funds provided by the state body, whether the multimember body is organized and operated by the state body or by a private corporation.

Status: 8/30/19 August 30 hearing: Held in committee and under submission.

- **SB 315 (Hertzberg) Governor’s Office of Business and Economic Development: taxation: gross income exclusions: opportunity zones**

Summary: Current law authorizes the Governor’s Office of Business and Economic Development to develop content on its internet website or through other mediums to be used for public dissemination, through outreach activities, in order to provide information and resources to inform the general public about place-based and other geographically targeted economic development programs, including California Promise Zones and California Opportunity Zones. Current law requires the Governor’s Office of Business and Economic Development to convene, at least annually, representatives from various programs and agencies across the state and from various federal programs and agencies for the purpose of discussing how California can leverage Promise Zones and Opportunity Zones to meet state and local community and economic development needs. This bill, until January 1, 2025, would eliminate the duties of the Governor’s Office of Business and Economic Development described above relating to California Promise Zones.

Status: On 08/11/2020, in Assembly Appropriations committee, set for hearing on 08/20/2020.

- **SB 462 (Stern) Community colleges: Urban and Rural Forest and Woodlands Restoration and Fire Resiliency Workforce Program**

Summary: Would require the Chancellor's Office of the California Community Colleges, working in collaboration with the Academic Senate for California Community Colleges, to develop a forest and woodlands restoration workforce model curriculum and vocational programs to be offered by community college districts commencing on or before July 31, 2021. The bill would require the chancellor's office to allocate funds appropriated for purposes of the bill to community college districts that offer the coursework in accordance with the model curriculum, as specified.

Status: 08/30/19; Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/14/2019)(May be acted upon Jan 2020).

- **SB 729 (Portantino): Food sector workers: COVID-19 supplemental paid sick leave: handwashing.**

Summary: This bill would require a food employee working in any food facility to be permitted to wash their hands every 30 minutes and additionally as needed. This bill would establish COVID-19 supplemental paid sick leave for food sector workers for the duration of any local emergency or state of emergency duly proclaimed under the California Emergency Services Act. The bill would require a hiring entity to provide a number of hours of COVID-19 supplemental paid sick leave, determined as prescribed, to each food sector worker who performs work for or through the hiring entity if that food sector worker is unable to work due to any of specified reasons relating to COVID-19. The bill would require the Labor Commissioner, by February 1, 2021, to make publicly available a model notice for purposes of the posting requirements under existing law. The bill would permit notice by electronic means in lieu of posting, for purposes of COVID-19 supplemental paid sick leave only, if a hiring entity's food sector workers do not frequent a workplace.

Status: On 08/11/2020, in Assembly Appropriations committee, Set for hearing on 08/20/2020.

- **SB 749 (Senator Maria Elena Durazo) California Public Records Act: trade secrets**

Summary: Would provide that specified records of a private industry employer that are prepared, owned, used, or retained by a public agency are not trade secrets and are public records, including certain records relating to employment terms and conditions of employees working for a private industry employer pursuant to a contract with a public agency, records of compliance with local, state, or federal domestic content requirements, and records of a private industry employer's compliance with job creation, job quality, or job retention obligations contained in a contract or agreement with a state or local agency.

Status: 09/15/19; Failed Deadline pursuant to Rule 61(a)(15). (Last location was INACTIVE FILE on 9/13/2019)(May be acted upon Jan 2020).

- **SB 792: (Committee on Labor, Public Employment and Retirement) Employment Training Panel**

Summary: Current law establishes the Employment Training Panel within the Employment Development Department and prescribes the functions and duties of the panel with respect to certain employment training programs. Current law relating to the panel references the superseded federal act and refers to the state and local boards by their former names. This bill would update statutory references in provisions relating to the panel to refer to the federal Workforce Innovation and Opportunity Act of 2014, the California Workforce Development Board, and local workforce development boards.

Status: Inactive Bill – Died.

- **SB 1103 (Hurtado): Workforce training programs. Supportive services.**

Summary: This bill would require the California Workforce Development Board to establish and administer the Lifting Families Out of Poverty Supportive Services Program. The bill would require the board, upon appropriation by the Legislature for that purpose, to make \$25,000,000 in grants available to consortia, composed of combinations of local workforce development boards, community colleges, or other stakeholders, that apply for funding to provide supportive services, as defined, and are approved in accordance with the bill. The bill would require a consortium to apply for a grant by submitting a plan with prescribed elements to the board, and would authorize the board to approve the submitted plan and award grant funds, up to \$5,000 per low-income workforce participant to be enrolled, per year. The bill would require the board to develop necessary policies to ensure that grants awarded are consistent with the intent of these provisions. The bill would also require the board, as part of the supportive services program described above, to develop High Road Training Partnerships or other similar programs to address the displacement of workers, including farmworkers in the southern central valley and youth who are in or out of school who are individuals with a barrier to employment, as specified.

Status: On 08/08/2020, in Assembly Appropriations committee, Set for Hearing on 08/20/2020.

- **SB 1348 (Stern): Fire prevention: vegetation management: public education: grants: defensible space: fire hazard severity zones: forest management.**

Summary: This bill makes multiple changes in state law to enhance fire prevention efforts by CalFire: including, among other things, improved vegetation management; requiring CalFire to create and maintain a public database that contains any defensible space inspections and assessments conducted by CalFire, local agencies or volunteers; defining “fire threatened communities” to mean those communities in high and very high fire hazard severity zones in the Local Responsibility Area (LRA) and SRA or on the Fire Risk Reduction Community list; increasing the percentage of advanced payment that CalFire is authorized to provide for the local assistance grant program from 25% to 50%; and requiring CalFire to develop and implement a training program to train individuals to support and augment its defensible space and home hardening assessment and public education efforts, as specified.

Status: On 08/18/2020, in Assembly Appropriations committee, Set for hearing on 08/20/2020.

CANNABIS RELATED BILLS

- **AB 1525 (Jones-Sawyer) Cannabis; Financial institutions**

Summary: This bill would provide that an entity, as defined, that receives deposits, extends credit, conducts fund transfers, transports cash or financial instruments, or provides other financial services, including public accounting, as provided, does not commit a crime under any California law solely by virtue of the fact that the person receiving the benefit of any of those services engages in commercial cannabis activity as a licensee. The bill would authorize a person licensed to engage in commercial cannabis activity to request, in writing, that a state or local licensing authority, state or local agency, or joint powers authority share the person's application, license, and other regulatory and financial information, as specified, with a financial institution of the person's designation and would require the request to include a waiver authorizing the transfer of that information and waiving any confidentiality or privilege that applies to that information. The bill would further authorize a state or local licensing authority, state or local agency, or joint powers authority upon receipt of a written request and waiver as described above, to share regulatory and financial information with the designated financial institution for the purpose of facilitating commercial banking the provision of financial services for the requesting licensee.

Status: On 08/17/2020, in Senate Appropriations committee, Set for Hearing on 08/20/2020

- **AB 1948 (Assembly Member Rob Bonta) Taxation: Cannabis**

Summary: AUMA requires the Legislative Analyst's Office to submit a report to the Legislature by January 1, 2020, with recommendations for adjustments to the tax rate to achieve the goals of undercutting illicit market prices and discouraging use by persons younger than 21 years of age while ensuring sufficient revenues are generated for specified programs. AUMA authorizes the Legislature to amend its provisions with a 2/3 vote of both houses to further its purposes and intent. This bill would reduce that excise tax rate to 11% on and after the operative date of this bill until July 1, 2023, at which time the excise tax rate would revert back to 15%. The bill would suspend the imposition of the cultivation tax on and after the operative date of this bill until July 1, 2023. The bill would require the bureau, the Department of Food and Agriculture, and the California Department of Tax and Fee Administration to provide the Legislature with reports measuring the success of this bill, as specified.

Status: 03/09/2020; In committee: Hearing for testimony only.

- **SB 67 (Senator Mark McGuire) Cannabis: temporary licenses**

Summary: MAUCRSA, until January 1, 2020, authorizes a licensing authority to issue a provisional license to an applicant that holds, or held, a temporary license for the same premises and the same commercial cannabis activity, if specified conditions are met. Current law required the provisional license to be valid for 12 months and prohibits the provisional license from being

renewed. This bill would, until September 15, 2019, revalidate an expired temporary license issued by the Department of Food and Agriculture, if the licensee submitted an application for an annual state license and application fees for the same premises and commercial cannabis activity for which the temporary license was issued, before the licensee's temporary license expiration date.

Status: Last Amended Date 07/29/2020. On 08/18/2020, Do pass and ordered to consent calendar (Ayes 18/Nos 0).

PROPOSITIONS

- **Prop 14: Authorizes Bonds to Fund Stem Cell and Other Medical Research.**
A YES vote on this measure means: The state could sell \$5.5 billion in general obligation bonds primarily for stem cell research and the development of new medical treatments in California.
A NO vote on this measure means: The state could not sell \$5.5 billion in general obligation bonds primarily for stem cell research and the development of new medical treatments in California.
- **Prop 15: Increases Funding for Public Schools, Community Colleges, and Local Government Services by Changing Tax Assessment of Commercial and Industrial Property (a/k/a Prop 13 for commercial/industrial property).**
A YES vote on this measure means: Property taxes on most commercial properties worth more than \$3 million would go up in order to provide new funding to local governments and schools.
A NO vote on this measure means: Property taxes on commercial properties would stay the same. Local governments and schools would not get new funding.
- **Prop 16: ACA 5 (Resolution Chapter 23). Government preferences. Affirmative Action.**
A YES vote on this measure means: State and local entities could consider race, sex, color, ethnicity, and national origin in public education, public employment, and public contracting to the extent allowed under federal and state law.
A NO vote on this measure means: The current ban on the consideration of race, sex, color, ethnicity, and national origin in public education, public employment, and public contracting would remain in effect.
- **Prop 22: Changes Employment Classification Rules for App-Based Transportation and Delivery Drivers. A referendum on AB-5.**
A YES vote on this measure means: App-based rideshare and delivery companies could hire drivers as independent contractors. Drivers could decide when, where, and how much to work but would not get standard benefits and protections that businesses must provide employees.
A NO vote on this measure means: App-based rideshare and delivery companies would have to hire drivers as employees if the courts say that a recent state law makes drivers employees. Drivers would have less choice about when, where, and how much to work but would get standard benefits and protections that businesses must provide employees.

- **Prop 24: Amends Consumer Privacy Laws.**

A YES vote on this measure means: Existing consumer data privacy laws and rights would be expanded. Businesses required to meet privacy requirements would change. A new state agency and the state's Department of Justice would share responsibility for overseeing and enforcing state consumer privacy laws.

A NO vote on this measure means: Businesses would continue to be required to follow existing consumer data privacy laws. Consumers would continue to have existing data privacy rights. The state's Department of Justice would continue to oversee and enforce these laws.