



Employment Training Panel

Memorandum

To: ETP Policy Committee
Gretchen Newsom, Chairperson
Janice Roberts, Member
Rick Smiles: Member

Date: October 29,
2020

CC: Executive Staff
Reg Javier, Executive Director
Peter Cooper, Assistant Director

From: Lis Testa, Policy Manager

Subject: ETP Policy Committee Meeting Agenda Item 3.c.
Report to Policy Committee Re: Veterans Guidelines

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- I. Brief Issue Statement: ETP's Veterans Guidelines were originally issued in October, 2008. The Guidelines were most recently revised in December, 2019, when transitioning active duty service members were added to the definition of 'veteran'. Panel and Policy Committee have continued to express a desire to review the Veterans Guidelines for potential additional incentives and/or benefits that could be added to this program. This memo explores a few potential options for items that can be added to the Veterans Guidelines. Policy Committee and stakeholder feedback is welcome. The current version of the Veterans Guidelines is included for your reference.
 - II. Options:
 - 1) Add additional alternate retention periods:
 - a. The current Veterans Guidelines allow 2 retention periods:
 - i. 90 days with at least a 30 hour work week (note: normal full time retention is with a 35 hour work week)
 - ii. 500 hours within 272 days
 - b. We can add the following additional alternate retention periods, which are already currently in use for various trainee populations:
 - i. 90 days out of 120 days with a maximum of 3 employers
 - ii. 500 hours within 12 months
 - iii. 500 hours within 150 days
 - c. There are multiple '500 hour' retention periods... given this, we would suggest picking one of them for use in the Veterans Guidelines, possibly 500 hours within 12 months.
 - 2) Increase the reimbursement rate:
 - a. Our reimbursement rates change every year.

- b. Currently, we have the following reimbursement rates:
 - i. \$9 CBT
 - ii. \$18 Apprenticeship
 - iii. \$20 Non-Priority Industry (for Participating Employers in MECs and COVID & RESPOND related non-priority industry projects)
 - iv. \$23 for everything else
 - c. We can add a higher reimbursement rate for veterans.
 - i. Veterans would need to be housed in a separate job number in order to receive the higher rate.
 - ii. The Veteran reimbursement rate would be reviewed each year along with the other reimbursement rates.
 - iii. Perhaps \$25 would be a good rate.
 - iv. We would also need to clarify if the Veterans rate also applied to CBT or Apprentice Veterans
 - 1. In the past, CBT and Apprentice rates were always kept unique, and the lower CBT and Apprentice rates have also applied to Veterans in those populations.
- 3) Add a component to the Guidelines to serve spouses/widows/widowers of veterans:
- a. In December, 2019, we expanded the definition of Veteran to include transitioning active duty service members.
 - b. We could also add to this definition the spouses/widows/widowers of veterans.
 - c. This population would be difficult for ETP to actually identify, monitor, and audit, so logistically it may not be feasible.
 - d. Most programs who serve this population use what is called “Priority of Service”, where veterans and their spouses are given priority/first in line for various benefits, which may include job training.
 - i. This population does not receive special benefits under the Priority of Service designation, but does ‘move to the front of the line’ for those services.
 - ii. This population is often defined as a spouse of a service member who was killed, missing, captured, detained, or who became disabled during their service.
 - 1. This population does not normally include spouses of ‘healthy’ service members.
 - 2. This population also refers to spouses of active duty service members, not only to veterans.
 - 3. This designation for Priority of Service will end if the spouses divorce.
 - iii. While many federal programs (i.e.: those run by the WDBs) do use Priority of Service, for ETP, since we do not typically have Veteran only contracts, the Priority of Service method would not be beneficial for our Veteran/spouse of veteran population. They can’t ‘jump the line’ within a contract – the contract has already been approved.
 - e. For ETP – we would be trying to find a way to include spouses/widows/widowers into our definition of veteran.
 - i. We would need to find a way to verify the ID of this population
 - 1. Marriage licenses and a military service ID card (photocopies) could work.

- f. We could give 'Priority of Service' (allow moving to the front of the line) for development of projects once they are in the Regional Office (after Eligibility has been completed) that have a veteran component.
 - i. This expedited processing could not be granted at Eligibility Determination, since companies are not often aware at that time if they will have a veteran population in their contract or not.
 - ii. We would also need to determine what percentage of the trainee population (or how many veterans at minimum must be on a contract) in order to grant them this expedited processing.
 - 1. Often, the number of veterans in an ETP contract is quite low, in single digits.
 - 2. Additionally, since the Panel Proposals presented during the Panel meetings are estimates, the number of veterans expected to be served does not always match the number actually served.
- 4) Creating a higher minimum required wage for veteran trainees:
- a. Currently, Veteran required minimum wages are the same as for every other population, i.e.:
 - i. SET wage
 - ii. Retrainee wage
 - iii. HUA wage
 - iv. Etc, depending on where they fit in the wage structure
 - b. Wages are re-calculated yearly based on information received from EDD's Labor Market Information Division
 - i. If we set a separate wage for Veterans, Panel would need to review it each year when they review other funding priorities (ie: caps and allocations) in the spring.
 - c. Our lowest required minimum wage for 2021 is \$14 (New Hires in some counties), and the highest is \$34.77 (SET)
 - i. Perhaps setting the Veteran required minimum wage to something in the middle range of the retrainee wages may be feasible
 - ii. For 2021, Retrainee wages range from \$19.12 - \$20.86
 - 1. \$20 for Veterans would be in the middle of this range
 - d. We also would need to decide if Veterans would be eligible for reduced wages for New Hires, HUAs, or Retrainee Job Creation.
 - i. This could potentially make their wage as low at \$14.
 - e. We would also need to decide if Veterans in SET or Priority Industry SET projects should use the SET/SET PI wages of \$34.77 and \$26.08 respectively, or, if they are in SET or SET PI projects, if the lower Veteran specific rate would apply to them.
- 5) Researching obstacles/barriers/biases in hiring practices that affect veterans:
- a. By discovering what barriers exist for veterans when searching for employment, we may be able to find other incentives for ETP contractors that would encourage them to hire more veterans.
 - b. This could be something as simple as having our Economic Development Unit be able to refer potential ETP contractors to Veteran workforce organizations such as Helmets to Hardhats, Hiring Our Heroes, or job fairs.

III. Request:

Staff would like to know if Committee or stakeholders have any feedback or desire for more discussion on this item. If any of the above options prove desirable, staff will continue with any required research needed to implement these options, and will create a revised draft of the Veterans Guidelines, which will return to the Policy Committee for a motion to move the Guidelines to full Panel for approval.