



Employment Training Panel

STATE OF CALIFORNIA EMPLOYMENT TRAINING PANEL
POLICY COMMITTEE MEETING
Zoom Meeting
Tuesday, November 29, 2022

I. POLICY COMMITTEE MEETING CALL TO ORDER

Chairperson Gretchen Newsom called the meeting to order at 1:01 p.m.

II. ROLL CALL

Present

Janice Roberts
Gretchen Newsom
Rick Smiles

Executive Staff

Reg Javier, Executive Director
Peter Cooper, Assistant Director
Jaime Gutierrez, Chief Deputy Director
Tara Armstrong, Deputy Director of Technical Branch

ETP Representatives

Elisabeth Testa, Policy Manager
Michael Cable, Staff Attorney

III. MEETING MINUTES

No changes to October Meeting Minutes.

ACTION: Mr. Smiles moved and Ms. Roberts seconded approval of the October Meeting Minutes with no changes. All Policy Committee Meeting Members present voted in the affirmative for approval of the October Meeting Minutes.

Motion carried, 3 to 0.

IV. POLICY MANAGER REPORT

Nothing to Report.

V. PRESENTATIONS

California Small Businesses and Essential Workers Closing Equity Gaps through Upskilling

was given by Wenda Tejamó.

VI. PROPOSAL ITEMS

Retraining Job Creation Wage (RJC)

Ms. Testa explained that October of every year all the required wages for the following calendar year are calculated. It was noticed that for 2023 there was an issue with the retraining job creation wage. Retraining job creation (RJC) is new employees hired anywhere from 90 days before the ETP contract term starts through the contract term as long as they finish training and retention requirements. Historically, trainees were held to the new higher required minimum wages, our lowest wages designed for new hires who were unemployed when training began. In 2018, Panel expressed concern that given these low wages, there was the possibility that we might be incentivizing companies to pay low wages, a review was done and the panel instituted the Retraining job creation wage at a hard \$15 an hour, placing it between the new hire wage and the standard employee wage. For 2023, the statewide minimum wage for all businesses regardless of size became \$15.50 per hour. This meant that the RJC fell below that state minimum wage. So there are three options.

Option one: Set the RJC wage to the new higher wage.

Option two: Set the RJC wage to the higher retraining wage; which might mean that the retraining job creation program will not be utilized.

Option three: Set a new RJC wage in between the new hire and retraining wage. However to avoid coming back to this every time the minimum wage increases about \$1.50 would be added to whatever the statewide minimum wage is in the future.

ACTION: Ms. Roberts moved and Mr. Smiles seconded approval of setting a new Retraining Job Creation Wage with the addition of \$1.50 to the statewide minimum wage. Chairperson Newsom called for a vote, and all Policy Committee Members present voted in the affirmative.

Motion carried, 3 to 0.

VII. OPPORTUNITY FOR PANEL MEMBERS TO REQUEST AGENDA ITEMS FOR FUTURE PANEL MEETINGS

Chairperson Newsom provided an opportunity for Policy Committee Members to request agenda items for future policy committee meetings.

No comments were made.

VIII. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Chairperson Newsom asked for public comment on matters not on the Agenda.

Mr. Segata asked if the RJC will be \$17 per hour statewide, all counties, and no variations. If the reimbursement rate will be \$23 an hour regardless of whether the company is priority or non-

priority?

Ms. Testa answered that the \$17 are for the RJC's no matter where they are. As far as the reimbursement rate she did not know off the top of her head but, we are not changing the retraining job creation reimbursement so it will stay the same.

Mr. Segata stated that the \$17 RJC retention wage is equivalent to the retraining wage retention for HUA areas so there is really no difference then between RJC and retraining.

Ms. Testa replied that is the reason why we could not set the retraining job creation wage at \$2 or more above because it would be above the retraining wage and defeat the purpose of the RJC program.

IX. MEETING ADJOURNMENT

Chairperson Newsom adjourned the meeting at 1:19 p.m.