



**Employment Training Panel**  
STATE OF CALIFORNIA EMPLOYMENT TRAINING PANEL  
POLICY COMMITTEE MEETING  
In person  
1100 J Street, Sacramento, CA, Sequoia Room  
**Thursday, September 26, 2024**

**I. POLICY COMMITTEE MEETING CALL TO ORDER**

Chair Gretchen Newsom called the meeting to order at 1:00 p.m.

**II. ROLL CALL**

Present

Gretchen Newsom  
Rebecca Bettencourt

Not in attendance

Rick Smiles

Executive Staff

Jessica Grimes, Director  
Jaime Gutierrez, Chief Deputy Director  
Kumani Armstrong, Assistant Director/ Chief Counsel

ETP Representatives

Elisabeth Testa, Policy Manager

**III. MEETING AGENDA**

No changes to September 26, 2024 Agenda.

**ACTION:** Member Bettencourt moved and Chair Newsom seconded approval of the September 26, 2024 Meeting Agenda with no changes. All Policy Committee Members present voted in the affirmative.

Motion carried, 2 to 0.

**IV. MEETING MINUTES**

No changes to August 29, 2024 Meeting Minutes.

**ACTION:** Member Bettencourt moved and Chair Newsom seconded approval of the August 29, 2024 Meeting Minutes with no changes. All Policy Committee Members present voted

in the affirmative.

Motion carried, 2 to 0.

## **V. MANAGER REPORT**

Last year ETP submitted a regulation package to the Office of Administrative Law (OAL) to update a few of the North American Industry Classification System (NAICS) codes in regulation 22 CCR 4416. This update was needed because the Federal NAICS database had been updated, and this update affected some of the codes that were in our regulation. The regulation update has been approved by the OAL and becomes effective on January 1, 2025. The ETP website will be updated with the new version of our regulations at that time. The changes were a lot of work and we are excited that it has been approved.

## **VI. ACTION ITEMS**

### **A. WORKFORCE LITERACY**

Ilya Launitz gave the presentation on the Workforce Literacy Pilot Program. The Workforce Literacy Pilot Program contract holders have mentioned facing challenges that are affecting their performance on these contracts. ETP conducted a survey of all of the Workforce Literacy contractors, and the results show that the challenges they face include experiencing a low demand for English literacy classes, logistical issues, performance difficulties, and other issues related to the successful implementation of the program.

As a result of the survey, ETP staff have developed four recommendations that we feel may help to address some of these issues. We would like for Policy Committee to finalize these recommendations today, so that they can be brought before the September Panel meeting tomorrow for a vote. The four recommendations are as follows:

1. Extend the contract term for all literacy contracts to end on June 30, 2026;
2. Reduce the 70% delivery requirement for literacy skills;
3. Remove the requirement for part-time workers to have to move to full-time to provide this opportunity to additional workers;
4. Increase the teacher:student ratio from 1:20 to 1:25.

Staff is recommending approving some, if not all, of these recommendations, or some version of them, and to move the recommendations to full Panel tomorrow for approval.

### **Committee feedback**

Committee liked option 1, extending the contract term. Everyone would get more time and this would help get the pilot program off the ground.

Looking at option 2, reducing the 70% delivery requirement for literacy skills, the program is for literacy skills development, therefore, reducing this requirement seems to counter the purpose

of the program.

Committee asked, regarding the 70% Literacy Training requirement - is that 100% of their training hours? Is it English literacy and nothing else? Is digital literacy something that is being successful? Under the current guidelines, how are we defining literacy? Do the guidelines include digital literacy as well as English literacy or no?

Mr. Launitz responded that the current guidelines state that 70% of the training hours must be for literacy skills, with a 'significant portion' of that 70% being for English literacy.

Committee commented that opening that definition up to include digital literacy, as long as it sits under that literacy umbrella rather than being just generic skills training could be an option. There is also mathematical literacy, so maybe refining the definition of what literacy really means and how it is relevant to different jobs would be something to look at.

For option 3, removing the requirement for part time workers to move into full time and provide an opportunity for additional workers – Committee would like to hear public comment as to what kinds of workers would be eligible and why this would be more effective for those workers. Panel is wary of encouraging any reduction in hours.

Committee is not in support of option 4, increasing the teacher student ratio. Unless it is applicable only to the Community colleges, since they are trusted non-profit educational institutions and have their own ratios set by the Community Colleges. Of course, having a lower ratio would be ideal for the best educational experience. Other ETP programs have 1:20 so keeping it as it is now is more consistent across the board.

Committee asked if there is requirement for how long they have to be full time to be eligible for the fund? Are we seeing mainly part-time workers enrolling?

The Director responded that specific population demographics are such that part-time workers are disproportionately represented, which might have been part of the reason why this was brought up as a potential issue.

Committee asked what is being used as the part-time measure? Some organizations are part time at 32 hours. Are the employees 24 hours a week, or is it more 28-32 hours a week, or keeping employees at 28 hours a week because they do not have to provide benefits for under 28 hours per week as per state law?

Mr. Launitz responded that, for this program, full-time is considered 35 hours per week, and trainees can be part-time employees during training, they just must move to full-time employment by the end of their retention period.

**Public comment was requested on this issue.**

Preeti Talwar, Director of Strategic Projects at Shaky College explained that they had a late start on their contract. Primarily because the employers they had targeted originally when they tried to work on customizing the training program were unable to participate. The pool of employers were from advanced manufacturing and English literacy was a pre-employment requirement. They had to pivot and look for new employers which they identified in the restaurant and other

services industries. In order to address some of the nuances with the service industry, they need flexibility since they don't work 8 hour shifts. They usually work 4-6 hour shifts. So they cannot meet the full time requirement that is defined by us at 35 hours .It would provide flexibility if that total hour per week were relooked at.

Eldon Davidson, El Camino College, said they worked primarily with manufacturing during the pandemic, as there was huge turnover loss of highly skilled workers due to either layoff or retirement. So they are hiring new people with less skills and their priority has been placed on basic skills, such as blueprint reading, GDNT and others. Vocational English as a second language or literacy skills are not their priority. We have not experienced the 70% as being an issue. Item #3 part-time employment has not been an issue because most of the manufacturers we work with are full-time employers. Item 4 for the student teacher ratio of 1:20 has not been an issue with us, especially with a higher reimbursement rate.

Phillip Herrera, Herrera Company stated his clients are mostly from advanced manufacturing so he does not have any literacy program contracts, but wanted to encourage the Panel to stick with the program goals, which is training that leads to full time employment. The 90 day retention requirement should be for all these programs. It is full time. He wants applicants to see ETP as awarding strong, performance-based contracts.

Rosio Leon, stated that a contract extension would be very welcome. They have found this challenging and it has taken some time to gain traction.

John Fox, San Bernardino Community College District commented that a contract extension would be extremely helpful. Reducing the percentage of literacy might open up a few opportunities. It's not critical because they can integrate literacy in with other training. Part-time work is a big issue because, as Jessica mentioned, part-time workers are disproportionately represented and are the target population this pilot is trying to serve. He agrees with Eldon that the ratio is not an issue but 1:25 would give flexibility. He would like to add for consideration the expanding of the definition of what an English language learner is, which currently is someone for who is an immigrant or they come from a background where English is not the primary language spoken. A lot of employers don't track that. Employees need some English literacy skills, but it may be that they are just deficient in business English skills. Opening up the definition would give employers more flexibility on who they could enroll.

Nancy Hoffman, she agrees with John Fox on the business literacy issue.

Nathan Daily, CMTA stated that extending the time on the contract would help. Regarding item 3 he'd like to reference to the old COVID pilot program where it actually designated in the contract 20 hours a week was full time and to consider lowering the threshold.

### **Committee feedback**

Question asked of Legal Counsel is the concept of redefining or expanding the definition of who would be eligible, eligible participants for these funds a consideration since it is not listed in the memo? Decision was to remove this topic and bring it back later.

Option analysis

Committee is in support of item one extending the contract term for all literacy contracts to end on June 30, 2026. This will go to Panel tomorrow.

Item 2, reduce the 70% delivery requirement of literacy skills. Based on discussion today allowing English language literacy, digital literacy, and business language literacy into literacy skills. Need to set parameters around what workforce literacy looks like. How are we asking the employers? How are we identifying if the trainee is someone who needs literacy skills? Conclusion was that this will be put aside for future considerations and not be brought to Panel tomorrow. Additional discussion determined that the recommendation going forward that could be accomplished would be to remove the line saying a “significant portion of the literacy would need to be English”.

Item 3, remove the requirement for part-time workers to move to full-time to provide the opportunity for additional workers. Should full-time be lowered from 35 hours to 28 hours per week? But not pushing it down to 20 or 24 hours per week? This would provide additional flexibility. Recommendation would be changing the guideline to the full time requirement, reducing it for 35 hours to 28 hours.

Item 4, increasing the student teacher ration from 1:20 to 1:25. The only one to change would be the new hires from 1:15 to 1:20. This way it would match our core program. This was agreed on.

Final conclusion

Item one, as the recommendation stands extending the contract term for all literacy contracts to end on June 10, 2026.

Item 2, we are removing the line saying that a significant portion of the literacy would need to be English.

Item 3, we are changing the definition for full time to 28 hours instead of 35.

Item 4, we are increasing the new hires to have a 1:20 teacher student ratio.

Setting aside for future discussion the expanding of the definition of English language learner.

**ACTION:** Chair Newsom moved and Member Bettencourt seconded approval to expand the contract term date for all literacy contracts to June 20, 2026, to remove the line saying that a significant portion of the literacy training would need to be in English literacy, to change the definition for full-time to 28 hours instead of 35, and to increase the new hire teacher:student ratio to 1:20. All Policy Committee Members present voted in the affirmative.

Motion carried, 2 to 0.

### **Public comment**

Kelly Grier, Strategy, requested consideration to change the ratio to 1:25 or higher – she understands this is not what was voted for, but wanted to have her opinion noted.

## **VII. OPPORTUNITY FOR POLICY COMMITTEE MEMBERS TO REQUEST AGENDA ITEMS FOR FUTURE PANEL MEETINGS**

No comments

### **VIII. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**

Phillip Herrera commented on application quality for next year, specifically what to do about oversubscription and SB 1321. He thinks its an ideal time for Committee to look carefully at options and come up with ideas on tweaking the process in the future.

### **IX. MEETING ADJOURNMENT**

Chair Newsom adjourned the meeting at 1:58 p.m.