CALIFORNIA PYS 2022-2023 (MOD)

CONTENTS

California PYs 2022-2023 (Mod) 1
I. WIOA State Plan Type and Executive Summary 3
a. WIOA State Plan Type 3
b. Plan Introduction or Executive Summary 3
II. Strategic Elements 3
a. Economic, Workforce, and Workforce Development Activities Analysis 3
b. State Strategic Vision and Goals 197
c. State Strategy 207
III. Operational Planning Elements 211
a. State Strategy Implementation 211
b. State Operating Systems and Policies 255
IV. Coordination with State Plan Programs 319
V. Common Assurances (For All Core Programs) 320
VI. Program-Specific Requirements for Core Programs 322
Program-specific Requirements for Adult, Dislocated Worker, and Youth Activities under Title I-B 322
Program-Specific Requirements for Wagner-Peyser Program (Employment Services) 351
Program-specific Requirements for Adult Education and Family Literacy Act Programs 380
Program-Specific Requirements for Vocational Rehabilitation (Combined or General) 399
VII. Program-Specific Requirements for Combined State Plan Partner Programs 491
Performance Indicator Appendix 491
All WIOA Core Programs 491
Other Appendices 491

I. WIOA STATE PLAN TYPE AND EXECUTIVE SUMMARY

A. WIOA STATE PLAN TYPE

This is a unified plan

B. PLAN INTRODUCTION OR EXECUTIVE SUMMARY

Not Applicable.

II. STRATEGIC ELEMENTS

A. ECONOMIC, WORKFORCE, AND WORKFORCE DEVELOPMENT ACTIVITIES ANALYSIS

1. ECONOMIC AND WORKFORCE ANALYSIS

The COVID-19 Pandemic Disrupted California's Labor Market, But It Is Now Recovering

- With a real Gross Domestic Product (GDP) of over $2.8 trillion in the second quarter of 2021, a labor market with 19 million participants, and a nonfarm economy with 16.6 million jobs in August 2021, California has the largest economy of any state in the nation.

- California's economy and labor markets have experienced recent turbulence due to the COVID-19 pandemic and, more particularly, the associated public health measures implemented to mitigate its spread. The pandemic emphatically ended California's 10-year employment expansion in February 2020 and led to unprecedented job losses and increases in unemployment over just a two-month period through April 2020. However, the pandemic-induced recession was short-lived, and California's labor market is now recovering.

- California's labor market continues to experience a demographic transformation as the predominantly White and native-born baby boomer generation has aged and begun retiring from the labor force in large numbers, leaving the more racially and ethnically diverse millennial generation to take their place.

<u>Pre-Pandemic: California's Employment Expansion</u>

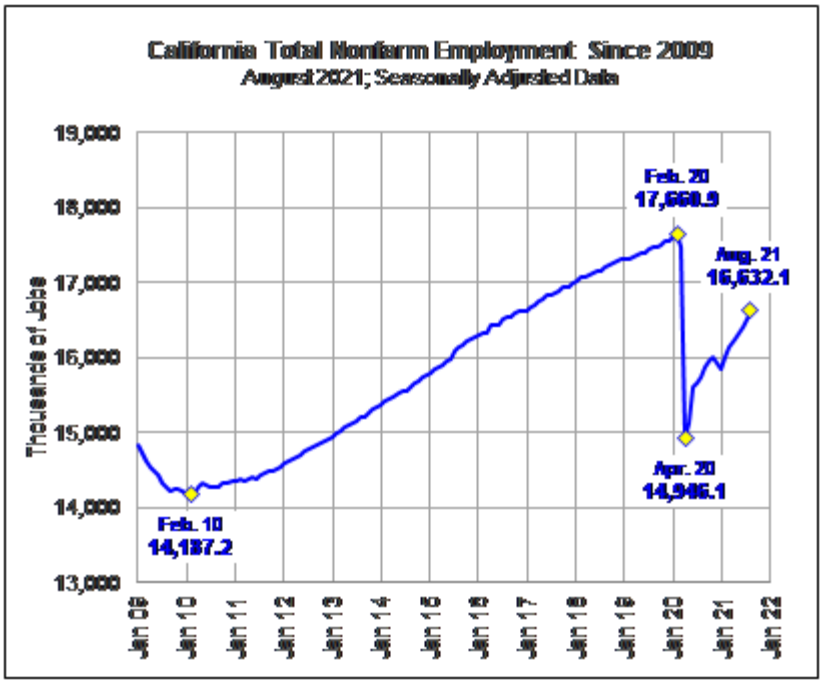
Total Nonfarm Jobs

- In February 2020, the month prior to the COVID-19 pandemic outbreak, California's employment expansion turned 10 years old.[1] This was the state's longest employment expansion in the post-World War II era of record-keeping, eclipsing the 113-month expansion that lasted from July 1960 through December 1969.

- California added 3,473,700 nonfarm jobs from February 2010 through February 2020, which was an increase of 24.5 percent. The state added an average of 28,900 nonfarm jobs per month and grew at an average annual pace of 2.4 percent over the course of the 120-month expansion.

[1] Whereas U.S. economic business cycles are officially arbitrated and dated by the National Bureau of Economic Research (NBER) based on a basket of economic indicators, no such dating of business cycles occurs at the state level. This document uses peaks and troughs in total nonfarm employment to identify California recessions and employment expansions.

Figure 1



Source: Employment Development Department.

Industry Sector Jobs

- California's job gains during the February 2010-February 2020 expansion were broadly distributed across industry sectors, with every sector except mining and logging adding jobs over the period.

- Educational and health services (751,000) added the most jobs, followed by professional and business services (717,600) and leisure and hospitality (577,800). These three industry sectors combined added 2,046,400 jobs over the course of the expansion, accounting for nearly three-fifths (58.9 percent) of the state's overall nonfarm job gains.

- Two additional industry sectors added more than 300,000 jobs over the course of the expansion: trade, transportation, and utilities (473,100) and construction (344,700). Three additional industry sectors added more than 100,000 jobs: government (176,300), information (153,600) and other services (111,800).

- In percentage terms, construction (60.6 percent) grew at the fastest pace over the course of the expansion. Four additional industry sectors had larger percentage job gains than the overall economy's 24.5 percent increase: leisure and hospitality (39.0 percent), information (35.9 percent), educational and health services (35.6 percent), and professional and business services (34.9 percent). As a group, these five industry sectors encompass a range of skill and pay levels, with the information and professional and business services sectors having a comparatively large share of high-skill jobs and high pay levels, educational and health services and construction having middle-skill jobs and middle pay levels, and leisure and hospitality having comparatively low-skill and low pay levels.

- The presence of the high technology-oriented information and professional and business services sectors among California's fastest growing industry sectors signals the important role that the state's high technology played in driving the economic expansion, particularly in the Bay Area.

Table 1

Changes in California Total Nonfarm and Industry Sector Jobs from February 2010 Through February 2020

Seasonally Adjusted Data; Thousands of Jobs

(Industry Sectors ranked by percentage change in jobs.)

No data	**February 2010**	**February 2020**	**10-Year Change in Number**	**10-Year Change in Percent**
Total Nonfarm Jobs	**14,187.2**	**17,660.9**	**3,473.7**	**24.5%**
Construction	568.6	913.3	344.7	60.6%
Leisure and Hospitality	1,480.4	2,058.2	577.8	39.0%
Information	427.5	581.1	153.6	35.9%
Educational and Health Services	2,111.5	2,862.5	751.0	35.6%
Professional and Business Services	2,053.7	2,771.3	717.6	34.9%
Other Services	481.5	593.3	111.8	23.2%
Trade, Transportation, and Utilities	2,593.9	3,067.0	473.1	18.2%
Financial Activities	760.8	848.8	88.0	11.6%
Government	2,439.0	2,615.3	176.3	7.2%
Manufacturing	1,246.7	1,327.8	81.1	6.5%
Mining and Logging	23.6	22.3	-1.3	-5.5%

Source: Employment Development Department.

- In contrast, five industry sectors grew at a slower pace than the overall economy over the course of the February 2010-February 2020 expansion. Whereas other services (23.2 percent) added jobs at a pace only slightly below that of the overall economy, the pace of job growth was considerably weaker in four industry sectors: trade, transportation, and utilities (18.2 percent); financial activities (11.6 percent); government (7.2 percent); and manufacturing (6.5 percent). Mining and logging (5.5 percent) had a net job loss even as other industry sectors grew.

- Although the pace of job growth in the trade, transportation, and utilities sector was weaker than that of the overall economy over the course of the expansion, differences in the rate of growth in its three subsectors merit some mention. The number of jobs in the

wholesale trade and retail trade subsectors grew by 10.5 percent and 9.4 percent, respectively, from February 2010 through February 2020, lagging behind the pace of the overall economy.

- In contrast, the number of jobs in the transportation, warehousing, and utilities subsector grew by 57.0 percent. This was the second largest percentage increase among all the industry sectors and subsectors that make up California's nonfarm economy. The transportation, warehousing, and utilities subsector added 265,900 jobs from February 2010 through February 2020, accounting for well over half (56.2 percent) of the 473,100 jobs the trade, transportation, and utilities sector gained over the same period. This underscores the important role that international trade and logistics had in driving the state's economic expansion, particularly in southern California.

Regional Jobs (Regional Planning Units)

- In support of the Workforce Innovation and Opportunity Act (WIOA), California is divided into 15 Regional Planning Units (RPUs), or regions, for the purposes of regional economic analysis.[1]

- California's regions vary greatly in size. Total nonfarm employment in Los Angeles Basin Region, the state's largest, totaled 4.2 million nonfarm jobs in August 2021. Seven additional regions—Bay-Peninsula, Orange, Southern Border, Inland Empire, San Joaquin Valley, East Bay, and Capital—had between one million and 2.2 million jobs. In contrast, employment in four regions—Ventura, South Central Coast, North State, and North Central Coast—totaled between 200,000 and 300,000 nonfarm jobs. The state's two smallest regions—North Coast County and Middle Sierra—each had fewer than 50,000 nonfarm jobs.

- It should be noted that regional job totals are not seasonally adjusted, meaning that the regular and recurring seasonal patterns of employment that occur within the labor market are not filtered out of monthly estimates. As such, comparing like months of the calendar year is the only way to control for seasonality when analyzing not seasonally adjusted data. Fortunately, this does not present an obstacle in looking at the February 2010-February 2020 expansion.

- California experienced broad-based regional nonfarm job growth over the course of its employment expansion, with each of the state's 15 regions adding jobs from February 2010 through February 2020. Not surprisingly, the largest job gains were in the state's largest regions. Los Angeles Basin Region (723,500) added the most jobs among regions over the 10-year period. Bay-Peninsula Region, despite being only about half the size of Los Angeles Basin Region, was a close second, adding 653,200 jobs.

- Inland Empire Region (38.8 percent) had the fastest job growth rate among California regions over the course of the expansion, followed closely by Bay-Peninsula Region (38.4 percent). The rapid rate of job growth in these two areas in part reflected the key roles that international trade and logistics and high technology—two of the state's more dynamic segments of the economy during the expansion—play in Inland Empire and Bay-Peninsula, respectively.

- San Joaquin Valley (25.2 percent) was the only other region in which job growth exceeded the overall economy's not seasonally adjusted 24.9 percent job increase from February 2010 through February 2020. However, seven additional regions had job increases of 20.0 percent or more: Capital (24.7 percent), Orange (24.3 percent), East Bay (23.7 percent), South Central Coast (23.7 percent); Southern Border (23.6 percent), North Bay (22.9 percent), and North Central Coast (20.0 percent).

[1] Additional RPU information can be found here: https://www.labormarketinfo.edd.ca.gov

Table 2

Changes in Total Nonfarm Jobs in California Regional Planning Units (Regions) Over the Course of the February 2010-February 2020 Expansion

Not Seasonally Adjusted Data; Thousands of Jobs.

(Regions ranked by percentage change in jobs.)

No data	**February 2010**	**February 2020**	**10-Year Change in Number**	**10-Year Change in Percent**
California (Not Seasonally Adjusted)	14,089.5	17,604.1	3,514.6	24.9%
LARGEST REGIONS	No data	No data	No data	No data
Inland Empire	1,143.4	1,587.1	443.7	38.8%
Bay-Peninsula	1,699.1	2,352.3	653.2	38.4%
San Joaquin Valley	1,101.2	1,378.9	277.7	25.2%
Capital	877.8	1,094.3	216.5	24.7%
Orange	1,354.1	1,683.5	329.4	24.3%
East Bay	965.0	1,193.8	228.8	23.7%
Southern Border	1,269.6	1,569.4	299.8	23.6%
North Bay	479.2	589.1	109.8	22.9%
Los Angeles Basin	3,896.0	4,619.5	723.5	18.6%
SMALLEST REGIONS	No data	No data	No data	No data
South Central Coast	256.4	317.1	60.7	23.7%
North Central Coast	206.8	248.2	41.4	20.0%
Ventura	272.2	315.4	43.2	15.9%
Middle Sierra	39.2	45.3	6.1	15.6%
North State	211.2	240.8	29.6	14.0%
North Coast County	45.9	50.6	4.7	10.2%

Source: Employment Development Department.

- Job growth over the course of the expansion tended to be faster in the state's largest, more urbanized regions than in its smaller, more sparsely populated, rural regions. Eight of the state's largest regions had job gains of 20.0 percent or more. The lone exception was Los Angeles Basin, which had an 18.6 percent job gain.

- In contrast, only two of the state's six smallest regions—South Central Coast (23.7 percent) and North Central Coast (20.0 percent)—had a gain of at least 20.0 percent. Each of the state's four remaining smallest regions had job gains less than 16.0 percent from February 2010 through February 2020: Ventura (15.9 percent), Middle Sierra (15.6 percent), North State (14.0 percent), and North Coast County (10.2 percent).

- Table 3 shows the industry sectors that added the most jobs and grew at a faster pace than the overall regional economy over the course of the February 2010 through February 2020 expansion. The industries with the largest gains in number provided the most opportunities for employment. The industries with the largest percentage job gains were the growth industries in each region's economy.

Table 3

Industry Sectors That Added the Most Jobs and Grew at the Fastest Rate by California Region (Regional Planning Unit) Over the Course of the February 2010-February 2020 Expansion

Not Seasonally Adjusted Data

No data	**Industry Sectors That Gained the Most Jobs During the Expansion**	**Industry Sectors That Grew Faster than the Overall Regional Economy During the Expansion**
LARGEST REGIONS (RPUs)	No data	No data
Los Angeles Basin	Educational and health services (192,200); leisure and hospitality (174,900); professional and business services (136,200); trade, transportation, and utilities (110,000).	Construction (48.6%); leisure and hospitality (46.9%); educational and health services (28.6%); information (27.6%); professional and business services (26.7%); other services (20.8%).
Bay-Peninsula	Professional and business services (202,000); information (128,300); educational and health services (93,200); leisure and hospitality (75,100).	Information (159.4%); construction (75.0%); professional and business services (60.3%); leisure and hospitality (42.4%).
Orange	Professional and business services (83,000); educational and health services (69,800); leisure and hospitality (64,200);	Construction (61.5%); educational and health services (41.2%); leisure and hospitality (39.7%); professional and business services (33.8%); other

No data	**Industry Sectors That Gained the Most Jobs During the Expansion**	**Industry Sectors That Grew Faster than the Overall Regional Economy During the Expansion**
	construction (40,600).	services (33.3%).
Inland Empire	Trade, transportation, and utilities (137,000); educational and health services (97,900); leisure and hospitality (56,200); construction (50,400).	Construction (86.2%); educational and health services (60.5%); trade, transportation, and utilities (51.5%); leisure and hospitality (45.7%).
Southern Border	Professional and business services (60,900); educational and health services (60,900); leisure and hospitality (51,900); construction (30,000).	Construction (53.6%); educational and health services (35.4%); leisure and hospitality (34.5%); professional and business services (30.1%); other services (24.1%).
San Joaquin Valley	Trade, transportation, and utilities (70,200); educational and health services (61,200); leisure and hospitality (37,000); government (35,700).	Construction (62.8%); leisure and hospitality (37.3%); educational and health services (35.0%); trade, transportation, and utilities (32.4%); professional and business services (28.0%).
East Bay	Educational and health services (43,800); professional and business services (43,500); leisure and hospitality (37,600); construction (29,800); trade, transportation, and utilities (27,000).	Construction (65.4%); leisure and hospitality (45.9%); professional and business services (28.6%); educational and health services (27.6%); manufacturing (25.0%).
Capital	Educational and health services (52,700); professional and business services (39,400); construction (35,200); trade, transportation, and utilities (33,300); leisure and hospitality (31,900).	Construction (91.0%); mining and logging (66.7%); educational and health services (40.9%); professional and business services (38.3%); leisure and hospitality (37.6%); other services (30.9%).
North Bay	Educational and health services (27,300); construction (19,700); leisure and hospitality (19,100); manufacturing (13,800); trade, transportation, and utilities (12,400).	Construction (85.8%); leisure and hospitality (34.3%); educational and health services (33.8%); manufacturing (31.6%); mining and logging (27.8%); other services (26.7%).
SMALLEST REGIONS (RPUs)	No data	No data
Ventura	Educational and health services (16,000); leisure and hospitality	Construction (53.6%); educational and health services

No data	**Industry Sectors That Gained the Most Jobs During the Expansion**	**Industry Sectors That Grew Faster than the Overall Regional Economy During the Expansion**
	(9,000); construction (6,000); trade, transportation, and utilities (5,300).	(45.3%); leisure and hospitality (30.4%).
South Central Coast (Excl. San Benito County)	Professional and business services (14,200); leisure and hospitality (12,500); educational and health services (11,300); construction (6,100); government (5,000).	Construction (53.0%); professional and business services (49.5%); leisure and hospitality (35.4%); other services (31.0%); educational and health services (30.8%).
North State	Educational and health services (8,400); construction (6,400); leisure and hospitality (5,000); trade, transportation, and utilities (4,500).	Construction (90.9%); mining and logging (25.9%); other services (23.9%); leisure and hospitality (22.4%); educational and health services (20.5%); professional and business services (19.7%).
North Central Coast	Leisure and hospitality (10,300); educational and health services (7,900); government (5,900); professional and business services (5,400); construction (4,400).	Construction (64.7%); mining and logging (50.0%); leisure and hospitality (34.2%); other services (29.3%); professional and business services (26.7%); educational and health services (25.3%); manufacturing (22.9%).
North Coast County	Educational and health services (1,400); government (1,000); construction (600); professional and business services (600); leisure and hospitality (600).	Mining and logging (50.0%); construction (40.0%); professional and business services (21.4%); educational and health services (18.4%); leisure and hospitality (12.0%); other services (10.5%).
Middle Sierra	Educational and health services (1,200); leisure and hospitality (1,100); trade, transportation, and utilities (1,000); construction (1,000); professional and business services (700).	Construction (76.2%); mining and logging (48.0%); other services (43.6%); professional and business services (37.9%); manufacturing (26.2%); educational and health services (23.0%); leisure and hospitality (19.3%); trade, transportation, and utilities (18.4%).

Source: Employment Development Department.

California's Pandemic-Induced Recession

Total Nonfarm Jobs

- The outbreak of the COVID-19 pandemic brought California's 10-year employment expansion to an abrupt end in February 2020. In response to the threat that the COVID-19 virus posed to the public's health and safety, California, the nation, and much of the world, adopted strict public health mitigation measures that shut down all but essential services and activities within the economy, established strict social distancing guidelines, and limited the public's movement by means of shelter-in-place orders. Over just the two-month period from February 2020 through April 2020, California's economy lost 2.7 million nonfarm jobs. California's unemployment rate shot up from a near-record low of 4.3 percent in February 2020 to 16.0 percent in April 2020, shattering the previous record-high of 12.6 percent that occurred at the height of the Great Recession in January-March 2010.

- To help cushion this disruption within the labor market, state and federal governments launched unprecedented investments in social safety nets and strong economic stimuli totaling several trillions of dollars. This assistance included, but was not limited to: enhanced unemployment benefits, new pandemic unemployment assistance for self-employed workers, child tax credits, the Paycheck Protection Program, a COVID-related expansion of paid sick leave, student loan forbearance, mortgage relief, protection against evictions for renters, utility protections, and an expansion of the Supplemental Nutrition Assistance Program.

- California lost 2,714,800 nonfarm jobs over just a two-month period from February 2020 through April 2020. Over 2.5 million of these job losses occurred in April 2020 after public health restrictions were imposed. To put the magnitude and suddenness of this job loss into perspective, California lost a total of 1,318,400 jobs over the course of the Great Recession from July 2007 through February 2010, which was a period of 31 months. California lost over twice that many jobs in just two months following the outbreak of the COVID-19 pandemic. Total nonfarm employment fell 8.5 percent over the course of the 31-month Great Recession. It fell by 15.4 percent in the two months following the pandemic outbreak. In effect, the pandemic wiped out nearly four-fifths (78.2 percent) of 3,473,700 nonfarm jobs California gained over the course of its 10-year employment expansion in just two months.

Industry Sector Jobs

- California's job losses during the pandemic-induced recession were distributed across all industry sectors, but concentrated in those sectors in which people congregate or interact in close proximity with others. The state's travel and tourism industry ground to a near halt in the immediate aftermath of the pandemic outbreak.

Table 4

Changes in California Industry Sector Jobs Over the Course of the Pandemic-Induced Recession From February 2020 Through April 2020

Seasonally Adjusted Data; Thousands of Jobs

(Industry sectors ranked according to percentage job change.)

No data	**February 2020**	**April 2020**	**Change in Number**	**Change in Percent**
Total Nonfarm Jobs	**17,660.9**	**14,946.1**	**-2,714.8**	**-15.4%**

No data	**February 2020**	**April 2020**	**Change in Number**	**Change in Percent**
Government	2,615.3	2,520.5	-94.8	-3.6%
Financial Activities	848.8	800.2	-48.6	-5.7%
Mining and Logging	22.3	20.4	-1.9	-8.5%
Manufacturing	1,327.8	1,206.4	-121.4	-9.1%
Educational and Health Services	2,862.5	2,578.1	-284.4	-9.9%
Professional and Business Services	2,771.3	2,473.7	-297.6	-10.7%
Information	581.1	510.0	-71.1	-12.2%
Trade, Transportation, and Utilities	3,067.0	2,630.2	-436.8	-14.2%
Construction	913.3	738.6	-174.7	-19.1%
Other Services	593.3	395.3	-198.0	-33.4%
Leisure and Hospitality	2,058.2	1,072.7	-985.5	-47.9%

Source: Employment Development Department.

- Each of California's 11 industry sectors lost jobs over the two-month period from February 2020 through April 2020. Leisure and hospitality (985,500) had far and away the largest loss among sectors. This loss was more than double the 436,800-job loss in the trade, transportation, and utilities sector, which had the second largest loss among sectors. Losses in professional and business services (297,600) and educational and health services (284,400) approached 300,000 jobs. Three additional industry sectors lost between 100,000 and 200,000 jobs: other services (198,000), construction (174,700), and manufacturing (121,400). Government (94,800), information (71,100), financial activities (48,600), and mining and logging (1,900) were the remaining sectors that lost jobs.

- With restaurants closed to all but curbside pickups, international travel restrictions in effect, and stay-at-home orders in effect, leisure and hospitality (47.9 percent) had the largest percentage job loss among sectors, losing nearly half of its jobs over the two-month period. Other services (33.4 percent) lost one-third of its jobs, with the losses concentrated in the personal care services industry that includes establishments such as barber shops and nail salons that offer services that involve close interpersonal contact.

- Six additional industry sectors had job losses of more than 9.0 percent: construction (19.1 percent); trade, transportation, and utilities (14.2 percent); information (12.2 percent); professional and business services (10.7 percent); educational and health series (9.9 percent); and manufacturing (9.1 percent). Mining and logging (8.5 percent), financial activities (5.7 percent), and government (3.6 percent) also experienced substantial job losses.

Regional Jobs (Regional Planning Units)

- Any analysis of how the pandemic affected regional jobs is complicated by the fact that the regional data are not seasonally adjusted. As such, it is impossible to filter normally occurring seasonal patterns of employment from those related to the pandemic for the February 2020 through April 2020 period. This analysis instead uses year-over job changes in April 2020, the month which captures the pandemic's maximum year-over employment effects, to analyze the effects that the pandemic had on regional jobs.

- Each of California's 15 regions experienced a year-over job loss in April 2020. North Central Coast (18.7 percent) had the largest job loss among regions and San Joaquin Valley (9.4 percent) had the smallest, but for the most part, differences among regions were largely a matter of degree. Every region experienced large job losses.

- Nine regions had year-over job losses of more than 15.0 percent in April 2020: North Central Coast (18.7 percent), North Bay (17.5 percent), Middle Sierra (16.6 percent), South Central Coast (16.1 percent), North Coast County (15.7 percent), Orange (15.4 percent), Los Angeles Basin (15.3 percent), East Bay (15.2 percent), and Southern Border (15.2 percent). Five additional regions had job losses of 11.2 percent or more: Ventura (14.5 percent), North State (12.9 percent), Bay-Peninsula (12.5 percent), Inland Empire (11.2 percent), and Capital (11.2 percent). San Joaquin Valley (9.4 percent) was the only region with a year-over job loss of less than 10.0 percent.

- Unlike during the expansion, there did not appear to be any discernable difference between the pattern of job losses amongst the state's largest and smallest regions. This was presumably because pandemic-related public health restrictions applied to all regions of the state. If anything, job losses may have been greatest in those regions in which travel and tourism play a disproportionately large role in a region's economy.

Table 5

Year-Over Changes in Total Nonfarm Jobs in California Regional Planning Units (Regions) At the Height of the Pandemic-Induced Recession in April 2020

Not Seasonally Adjusted Data; Thousands of Jobs.

(Regions ranked by percentage change in jobs.)

No data	**April 2019**	**April 2020**	**Year-Over Change in Number**	**Year-Over Change in Percent**
California (Not Seasonally Adjusted)	17,343.0	14,943.1	-2,399.9	-13.8%
LARGEST REGIONS	No data	No data	No data	No data
San Joaquin Valley	1,354.0	1,227.2	-126.8	-9.4%
Capital	1,075.8	954.9	-120.9	-11.2%
Inland Empire	1,541.2	1,367.9	-173.3	-11.2%

No data	April 2019	April 2020	Year-Over Change in Number	Year-Over Change in Percent
Bay-Peninsula	2,307.3	2,019.2	-288.1	-12.5%
Southern Border	1,550.9	1,315.8	-235.1	-15.2%
East Bay	1,184.0	1,003.9	-180.1	-15.2%
Los Angeles Basin	4,541.5	3,847.1	-694.4	-15.3%
Orange	1,670.0	1,412.6	-257.4	-15.4%
North Bay	587.7	484.9	-102.8	-17.5%
SMALLEST REGIONS	No data	No data	No data	No data
North State	240.8	209.7	-31.1	-12.9%
Ventura	311.9	266.6	-45.3	-14.5%
North Coast County	51.0	43.0	-8.0	-15.7%
South Central Coast	314.6	264.0	-50.6	-16.1%
Middle Sierra	45.3	37.8	-7.5	-16.6%
North Central Coast	249.1	202.5	-46.6	-18.7%

Source: Employment Development Department.

- Table 6 shows the industry sectors that had the largest year-over job losses in both number and percent in April 2020. Job losses were widely distributed across all industry sectors, with the only occasional exception being no change in employment in mining and logging, a sector that has tiny employment totals in many regions. The information sector in Bay-Peninsula was the only industry sector in any region that had a year-over job gain in April 2020. Every other industry sector in every other region had a year-over job loss or no change in jobs.

- Year-over job losses in April 2020 were heavily concentrated in leisure and hospitality and other services in every region of the state. These were the two sectors most directly affected by public health measures to mitigate the spread of the COVID-19 pandemic.

Table 6

Industry Sectors with the Largest Year-Over Job Losses in Number and Percent by California Region (Regional Planning Unit) in April 2020

Not Seasonally Adjusted Data

No data	Summary	Industry Sectors With Largest Year-Over Job Losses in Number	Industry Sectors With Largest Year-Over Job Losses in Percent
LARGEST REGIONS (RPUs)	No data	No data	No data

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Losses in Number**	**Industry Sectors With Largest Year-Over Job Losses in Percent**
Los Angeles Basin	All 11 industry sectors lost jobs.	Leisure and hospitality (247,400); trade, transportation, and utilities (141,200); professional and business services (75,700); educational and health services (51,500).	Leisure and hospitality (45.5%); other services (30.9%); information (17.7%); trade, transportation, and utilities (16.8%).
Bay-Peninsula	9 of 11 industry sectors lost jobs; one (information) added jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (138,000); trade, transportation, and utilities (50,500); construction (28,300); educational and health services (25,400); other services (24,100).	Leisure and hospitality (54.2%); other services (34.1%); construction (29.6%); trade, transportation, and utilities (18.0%); educational and health services (7.8%).
Orange	All 11 industry sectors lost jobs.	Leisure and hospitality (94,000); trade, transportation, and utilities (39,100); professional and business services (37,200); educational and health services (26,400); other services (16,800).	Leisure and hospitality (41.3%); other services (32.6%); mining and logging (20.0%); trade, transportation, and utilities (15.2%); professional and business services (11.4%).
Inland Empire	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (75,400); trade, transportation, and utilities (22,600); professional and business services (16,600); other services (14,100); construction (13,000).	Leisure and hospitality (42.1%); other services (30.4%); information (23.1%); construction (12.3%); manufacturing (10.7%).
Southern Border	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (106,300); trade, transportation, and utilities (40,300); other services (21,100); educational and health services (18,600); professional and business services (16,400).	Leisure and hospitality (51.8%); other services (37.0%); trade, transportation, and utilities (17.3%); construction (12.7%); educational and health services (8.3%).

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Losses in Number**	**Industry Sectors With Largest Year-Over Job Losses in Percent**
San Joaquin Valley	All 11 industry sectors lost jobs.	Leisure and hospitality (50,800); trade, transportation, and utilities (20,800); educational and health services (12,700); professional and business services (9,500); other services (8,800).	Leisure and hospitality (37.1%); information (22.1%); other services (21.4%); mining and logging (10.1%); construction (10.0%).
East Bay	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (59,400); trade, transportation, and utilities (30,600); construction (20,500); educational and health services (19,900); professional and business services (14,400).	Leisure and hospitality (49.7%); other services (32.4%); construction (27.6%); trade, transportation, and utilities (15.4%); educational and health services (10.0%).
Capital	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (56,000); trade, transportation, and utilities (19,700); educational and health services (11,500); other services (10,000).	Leisure and hospitality (48.3%); other services (27.4%); information (17.9%); trade, transportation, and utilities (11.5%).
North Bay	All 11 industry sectors lost jobs.	Leisure and hospitality (40,900); trade, transportation, and utilities (14,400); construction (10,400); educational and health services (9,900); other services (6,500).	Leisure and hospitality (53.5%); other services (30.8%); construction (24.2%); mining and logging (16.3%); information (15.4%).
SMALLEST REGIONS	No data	No data	No data
Ventura	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (17,000); trade, transportation, and utilities (9,600); educational and health services (4,600); professional and business services (3,800); other services (3,000).	Leisure and hospitality (44.2%); other services (30.9%); information (28.3%); trade, transportation, and utilities (16.8%); construction (9.6%).

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Losses in Number**	**Industry Sectors With Largest Year-Over Job Losses in Percent**
South Central Coast (Excl. San Benito County)	All 11 industry sectors lost jobs.	Leisure and hospitality (24,500); trade, transportation, and utilities (8,100); educational and health services (5,200); other services (3,600); manufacturing (2,900).	Leisure and hospitality (50.1%); other services (33.6%); mining and logging (27.3%); trade, transportation, and utilities (17.2%); manufacturing (14.0%).
North State	All 11 industry sectors lost jobs.	Leisure and hospitality (12,600); trade, transportation, and utilities (5,000); educational and health services (3,700); government (3,500); other services (2,900).	Leisure and hospitality (46.3%); other services (28.2%); trade, transportation, and utilities (11.8%); professional and business services (11.3%); information (9.9%).
North Central Coast	All 11 industry sectors lost jobs.	Leisure and hospitality (22,500); trade, transportation, and utilities (7,600); educational and health services (3,600); professional and business services (3,400); other services (2,800).	Leisure and hospitality (55.1%); mining and logging (33.3%); other services (27.2%); information (25.0%); construction (23.9%); trade, transportation, and utilities (17.7%).
North Coast County	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (2,800); trade, transportation, and utilities (1,400); government (1,100); educational and health services (900); manufacturing (600).	Leisure and hospitality (50.0%); manufacturing (27.3%); information (25.0%); other services (20.0%); trade, transportation, and utilities (15.1%).
Middle Sierra	All 11 industry sectors lost jobs.	Leisure and hospitality (3,500); government (1,400); trade, transportation, and utilities (600); manufacturing (500); educational and health services (400).	Leisure and hospitality (50.1%); manufacturing (25.7%); other services (19.1%); construction (14.8%); financial activities (12.0%).

Source: Employment Development Department.

California's Recovery-to-Date

Total Nonfarm Jobs

- California's pandemic-induced recession proved to be short-lived. In early May, California lifted its shelter in place order and began easing restrictions on economic activity through a county-by-county program of tightening or easing public health restrictions based on data-driven criteria linked to the prevalence of the COVID-19 virus itself. For example, restaurants and gyms were initially allowed to reopen provided they offered their services outdoors, and were later allowed to offer indoor services with capacity limitations if the incidence of COVID-19 cases remained low.

- In December 2020, California tightened pandemic restrictions and issued Regional Stay Home Orders in response to surging numbers of COVID-19 cases across the state. These restrictions were lifted in late January 2021 and the state progressively eased restrictions on economic activities thereafter, culminating with the lifting of all remaining public health restrictions and the full reopening of the economy on June 15, 2021.

- California's labor market began recovering with the easing of public health restrictions. In effect, April 2020 marked the end of the pandemic-induced recession and the beginning of the state's recovery.

- California added a total of 1,686,000 nonfarm jobs from April 2020 through August 2021. This was an 11.3 percent increase. The state added jobs in 14 of 16 months during this period, the exceptions being losses of 75,400 and 89,000 jobs in December 2020 and January 2021, when more restrictive public health measures and the Regional Stay Home Order were in effect.[1]

- California has experienced robust job growth over the course of its recovery from the pandemic-induced recession to-date. The state added an average of 105,400 nonfarm jobs per month over the entire course of its 16-month recovery from April 2020 through August 2021. Prior to the pandemic outbreak in February 2020, the state's largest monthly job gain on record was a 98,500-job increase in April 2016 in the official data series going back to the beginning of 1990.

- Total nonfarm jobs grew at a sustained annualized pace of 8.5 percent from April 2020 through August 2021. In contrast, total nonfarm employment grew at an average pace of 2.4 percent per year over the course of the February 2010-February 2020 expansion. Prior to the pandemic, the state's largest year-over job increase on record was a 4.0 percent increase in November 1998.

- Although California has experienced rapid job growth over the course of its recovery-to-date, as of August 2021 it still wasn't close to recovering all the jobs it lost during the February 2020-April 2020 recession. California's total nonfarm employment in August remained 1,028,800 jobs (5.8 percent) below its pre-pandemic level in February 2020. As of August 2021, California had recovered 62.1 percent of the 2,714,800 nonfarm jobs it lost during the pandemic-induced recession. Even if California were able to sustain the

robust 105,400 per month average pace of growth of its recovery-to-date, full recovery of the remaining pandemic job losses would not occur until the middle of 2022.

Industry Sector Jobs

- California's job gains during the recovery-to-date have been well distributed across most industry sectors, with nine out of 11 major industry sectors adding jobs from April 2020 through August 2021. However, two sectors—government and mining and logging—lost jobs even as other sectors of the economy were recovering.

- Leisure and hospitality (587,800) had far and away the largest job gain of any sector from April 2020 through August 2021, accounting for over one-third (34.8 percent) of the overall economy's 1,686,000-job gain during the recovery-to-date. Even with this gain, employment in leisure and hospitality in August 2021 remained 397,700 jobs below its pre-pandemic level in February 2020.

- Three additional industry sectors added over 200,000 jobs over the course of the recovery: trade, transportation, and utilities (360,300); professional and business services (220,900); and educational and health services (208,900). Two additional industry sectors added more than 100,000 jobs: construction (139,800) and other services (105,000). Manufacturing (52,200), information (37,200), and financial activities (9,600) were the remaining industry sectors that added jobs.

Table 7

Changes in California Total Nonfarm and Industry Sector Jobs from April 2020 Through August 2021

Seasonally Adjusted Data; Thousands of Jobs

Industries ranked by share of lost jobs recovered.

No data	**April 2020**	**August 2021**	**Change in Number**	**Change in Percent**	**Share of Lost Jobs Lost During Recession Recovered** (As of Aug. 2021)
Total Nonfarm Jobs	**14,946.1**	**16,632.1**	**1,686.0**	**11.3%**	**62.1%**
Trade, Transportation, and Utilities	2,630.2	2,990.5	360.3	13.7%	82.5%
Construction	738.6	878.4	139.8	18.9%	80.0%
Professional and Business Services	2,473.7	2,694.6	220.9	8.9%	74.2%
Educational and Health Services	2,578.1	2,787.0	208.9	8.1%	73.5%

No data	**April 2020**	**August 2021**	**Change in Number**	**Change in Percent**	**Share of Lost Jobs Lost During Recession Recovered** (As of Aug. 2021)
Leisure and Hospitality	1,072.7	1,660.5	587.8	54.8%	59.6%
Other Services	395.3	500.3	105.0	26.6%	53.0%
Information	510.0	547.2	37.2	7.3%	52.3%
Manufacturing	1,206.4	1,258.6	52.2	4.3%	43.0%
Financial Activities	800.2	809.8	9.6	1.2%	19.8%
Mining and Logging	20.4	18.9	-1.5	-7.4%	N/A
Government	2,520.5	2,486.3	-34.2	-1.4%	N/A

Source: Employment Development Department.

Note: N/A indicates that an industry sector has not yet begun to recover recession job losses.

- In contrast to other sectors, government (34,200) and mining and logging (1,500) lost jobs from April 2020 through August 2021. Losses in government in large part reflected the fact that the campuses of many public K-12 schools and colleges and universities remained closed over much of the recovery period, leading to job losses among educational support staff.

- Leisure and hospitality (54.8 percent) had the largest percentage job gain over the course of the April 2020-August 2021 recovery, adding jobs at nearly five times the 11.3 percent rate of the overall economy. Other services (26.6 percent) had the second largest percentage job gain among sectors. Construction (18.9 percent), and trade, transportation, and utilities (13.7 percent) were the other industry sectors that added jobs at a faster rate than the overall economy.

- Two California industry sectors had recovered four-fifths or more of their February 2020-April 2020 job losses as of August 2021: trade, transportation, and utilities (82.5 percent recovery) and construction (80.0 percent). Professional and business services (74.2 percent) and educational and health services (73.5 percent) were the other industry sectors that had recovered a larger share of lost jobs than the 62.1 percent share of the overall economy.

- Three additional California industry sectors had recovered more than half of their pandemic-induced job losses as of August 2021: leisure and hospitality (59.6 percent), other services (53.0 percent), and information (52.3 percent). In contrast, the recovery in manufacturing (43.0 percent) and financial activities (19.8 percent) lagged behind other industry sectors, and mining and logging and government showed net job losses.

- Although no California industry sector had recovered their pandemic job losses as of August 2021, two industry subsectors had achieved full recovery. Transportation, warehousing, and utilities payrolls were 35,800 jobs higher than they were in February 2020, reflecting a rise in online shopping and home delivery during the pandemic and strength in the international trade and logistics fueled by consumer spending. Payrolls in professional, scientific, and technical services were 1,900 jobs higher in August 2021 than in February 2020, suggesting that California's high technology sector continues to be a bright spot in the state's post-COVID economy.

Regional Jobs (Regional Planning Units)

- Unfortunately, the fact that regional jobs data are not seasonally adjusted means they are not suitable for analyzing regional job growth trends over the entire 16-month recovery from April 2020 through August 2021. This analysis instead relies on year-over changes in jobs in August 2021 to compare regional job performance during the ongoing recovery.[2]

- Every California region was recovering from the pandemic-induced recession in August 2021, with each of the 15 regions having positive year-over job gains. Los Angeles Basin (275,300) had the largest year-over job gain among regions, followed by Orange (119,500) and Bay-Peninsula (104,500). Two additional regions had year-over gains of more than 60,000 jobs: Inland Empire (65,700) and Southern Border (62,000). San Joaquin Valley (46,500), Capital (43,700), and East Bay (37,000) were the other regions with year-over job gains of more than 35,000 jobs in August 2021.

- Orange (8.1 percent) had the fastest pace of year-over job growth among regions in August 2021. Los Angeles Basin (6.9 percent) and North Coast County (6.0 percent) were the only other California regions with year-over percentage job gains greater than the overall economy's not seasonally adjusted 5.7 percent job gain.

- Two additional California regions—North Bay (5.1 percent) and Bay-Peninsula (5.0 percent)—had year-over job gains of at least 5.0 percent. Five additional regions had year-over job gains larger than 4.0 percent: Inland Empire (4.5 percent), Middle Sierra (4.5 percent), Southern Border (4.4 percent), Capital (4.3 percent) and Ventura (4.3 percent). Each of the state's five remaining regions had year-over job gains of less than 4.0 percent: North State (3.9 percent), North Central Coast (3.7 percent), San Joaquin Valley (3.6 percent), East Bay (3.5 percent), and South Central Coast (2.8 percent).

[1] As was the case during the recession, the job losses in these two months were heavily concentrated in leisure and hospitality and, to a lesser extent, other services.

[2] Comparing like months of the calendar year is the only effective way to filter seasonal patterns of employment from not seasonally adjusted data. As such, two-year and year-over changes in jobs in August 2021 are the only time frames available that capture the effects of the pandemic impacts on regional employment. Because pandemic-related job losses overwhelm the job gains of the recovery-to-date in August 2019-August 2021 comparisons, year-over changes in jobs in August 2021 provide the best and only option for comparing regional job performance in the ongoing recovery. Unfortunately, this comparison omits a large portion of the jobs that have been gained over the course of the 16-month recovery to-date.

Table 8

Year-Over Changes in Total Nonfarm Jobs in California Regional Planning Units (Regions) During the Last Year of Recovery in August 2021

Not Seasonally Adjusted Data; Thousands of Jobs; August 2021 Data Are Preliminary.

(Regions ranked by percentage change in jobs.)

No data	August 2020	August 2021	Year-Over Change in Number	Year-Over Change in Percent
California (Not Seasonally Adjusted)	15,691.7	16,580.9	889.2	5.7%
LARGEST REGIONS	No data	No data	No data	No data
Orange	1,471.5	1,590.9	119.4	8.1%
Los Angeles Basin	3,972.7	4,248.0	275.3	6.9%
North Bay	529.2	556.4	27.2	5.1%
Bay-Peninsula	2,095.2	2,199.7	104.5	5.0%
Inland Empire	1,459.1	1,524.8	65.7	4.5%
Southern Border	1,396.1	1,458.1	62.0	4.4%
Capital	1,012.0	1,055.7	43.7	4.3%
San Joaquin Valley	1,289.5	1,336.0	46.5	3.6%
East Bay	1,062.5	1,099.5	37.0	3.5%
SMALLEST REGIONS	No data	No data	No data	No data
North Coast County	44.8	47.5	2.7	6.0%
Middle Sierra	42.5	44.4	1.9	4.5%
Ventura	284.1	296.2	12.1	4.3%
North State	227.9	236.7	8.8	3.9%
North Central Coast	221.6	229.8	8.2	3.7%
South Central Coast	282.4	290.4	8.0	2.8%

Source: Employment Development Department.

- Table 9 shows the industry sectors that had the largest year-over job gains in both number and percent in August 2021. Year-over job gains were widely distributed across most industry sectors in every region of the state, but concentrated in leisure and hospitality and other services; the two sectors most directly affected by public health restrictions to mitigate the spread of the COVID-19 pandemic are now leading California's recovery now that these restrictions have been eased.

Table 9

Industry Sectors With the Largest Year-Over Job Gains in Number and Percent by California Region (Regional Planning Unit) in August 2021

Not Seasonally Adjusted Data

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Gains in Number**	**Industry Sectors With Largest Year-Over Job Gains in Percent**
LARGEST REGIONS (RPUs)	No data	No data	No data
Los Angeles Basin	9 industry sectors added jobs; one (manufacturing) lost jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (108,800); trade, transportation, and utilities (35,100); educational and health services (34,400); professional and business services (32,000); government (27,500).	Leisure and hospitality (31.3%); other services (15.3%); information (11.3%); professional and business services (5.5%); government (5.2%).
Bay-Peninsula	8 industry sectors added jobs; two lost jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (47,300); professional and business services (25,000); other services (14,200); educational and health services (10,900); information (8,800).	Leisure and hospitality (35.2%); other services (29.7%); professional and business services (4.9%); information (4.1%); educational and health services (3.6%).
Orange	9 industry sectors added jobs; one (financial activities) lost jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (66,000); professional and business services (20,400); trade, transportation, and utilities (11,200); other services (8,000); government (6,700).	Leisure and hospitality (47.8%); other services (20.4%); professional and business services (6.8%); trade, transportation, and utilities (4.7%); government (4.6%).
Inland Empire	7 industry sectors added jobs; three lost jobs and one (mining and logging) had no change in jobs.	Trade, transportation, and utilities (25,400); leisure and hospitality (20,100); educational and health services (13,900); professional and business services (7,700); other services (5,000).	Leisure and hospitality (15.7%); other services (13.8%); trade, transportation, and utilities (6.2%); educational and health services (5.7%); professional and business services (5.1%); information (4.7%).
Southern Border	8 industry sectors added jobs; two lost jobs; one (mining and logging) had	Leisure and hospitality (31,600); other services (9,800); construction	Other services (24.4%); leisure and hospitality (23.2%); construction

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Gains in Number**	**Industry Sectors With Largest Year-Over Job Gains in Percent**
	no change in jobs.	(8,900); professional and business services (6,100); educational and health services (5,500).	(10.7%); information (5.6%); educational and health services (2.6%).
San Joaquin Valley	8 industry sectors added jobs; three lost jobs.	Leisure and hospitality (23,500); trade, transportation, and utilities (8,400); professional and business services (5,700); manufacturing (4,300); other services (4,000).	Leisure and hospitality (22.3%); other services (11.7%); professional and business services (5.0%); construction (4.9%) information (4.2%).
East Bay	8 industry sectors added jobs; two lost jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (14,100); professional and business services (12,500); educational and health services (7,000); other services (5,100).	Leisure and hospitality (18.8%); other services (17.1%); professional and business services (6.9%); educational and health services (3.8%).
Capital	10 industry sectors added jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (11,800); construction (8,700); other services (5,700); professional and business services (5,600); trade, transportation, and utilities (4,600).	Other services (19.7%); leisure and hospitality (14.3%); construction (11.7%); professional and business services (4.1%); information (4.1%).
North Bay	10 industry sectors added jobs; One (government) lost jobs.	Leisure and hospitality (13,100); educational and health services (4,500); professional and business services (3,600); other services (2,500); construction (2,400); trade, transportation, and utilities (2,000).	Leisure and hospitality (25.1%); other services (15.6%); information (8.9%); professional and business services (6.3%); construction (5.8%); mining and logging (5.7%).
SMALLER REGIONS (RPUs)	No data	No data	No data
Ventura	10 industry sectors added jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (5,100); professional and business services (1,700); manufacturing (1,100); trade, transportation, and	Leisure and hospitality (17.8%); other services (13.5%); information (5.6%); financial activities (4.5%);

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Gains in Number**	**Industry Sectors With Largest Year-Over Job Gains in Percent**
		utilities (1,000); other services (1,000).	manufacturing (4.3%).
South Central Coast (Excl. San Benito County)	8 industry sectors added jobs; two lost jobs; one (mining and logging) had no change in jobs.	Professional and business services (3,600); leisure and hospitality (3,200); other services (1,200); manufacturing (800); trade, transportation, and utilities (800).	Other services (15.0%); leisure and hospitality (9.0%); professional and business services (8.4%); information (6.1%); manufacturing (4.2%).
North State	All 11 industry sectors added jobs.	Leisure and hospitality (2,300); educational and health services (2,300); government (1,200); trade, transportation, and utilities (800); construction (600).	Information (17.2%); leisure and hospitality (10.6%); mining and logging (8.3%); other services (5.9%); educational and health services (4.8%).
North Central Coast	8 industry sectors added jobs; three lost jobs.	Leisure and hospitality (7,100); other services (900); construction (700); professional and business services (700); educational and health services (600).	Mining and logging (50.0%); leisure and hospitality (26.0%); information (16.7%); other services (10.6%); construction (6.4%).
North Coast County	9 industry sectors added jobs, two had no change in jobs.	Leisure and hospitality (600); government (600); professional and business services (300); educational and health services (300).	Mining and logging (25.0%); leisure and hospitality (14.6%); other services (10.5%); manufacturing (9.5%); professional and business services (8.8%); construction (8.7%).
Middle Sierra	10 industry sectors added jobs; one (information) had no change in jobs.	Leisure and hospitality (900); construction (300); manufacturing (300); trade, transportation, and utilities (200).	Mining and logging (15.6%); leisure and hospitality (15.3%); manufacturing (13.6%); construction (10.9%); other services (8.3%).

Source: Employment Development Department.

California Gross Domestic Product

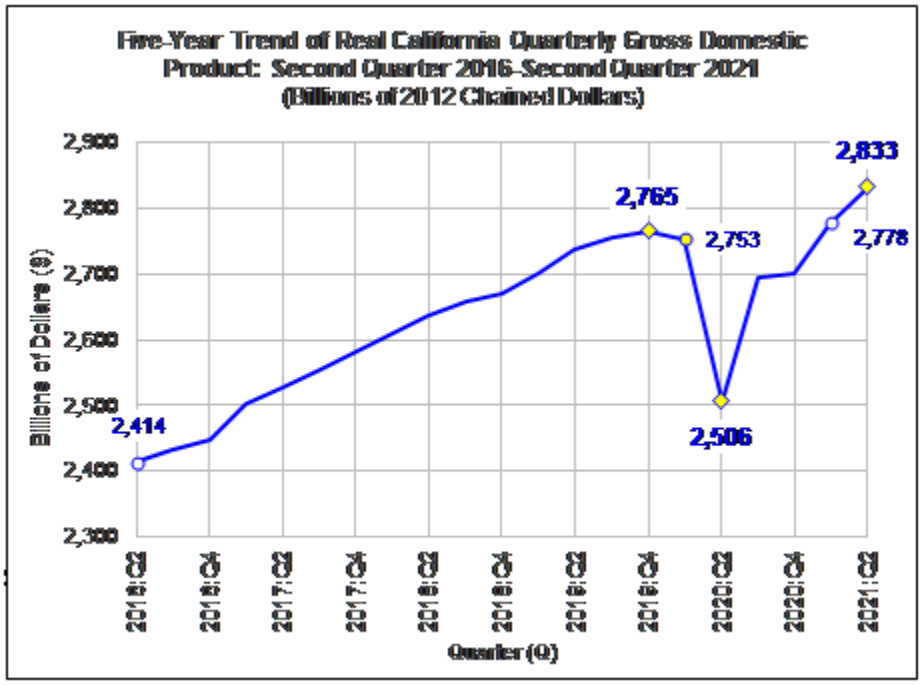
- According to the U.S. Bureau of Economic Analysis, California's real GDP, as measured in chained 2012 dollars, totaled $2.8 trillion in the second quarter of 2021. California had by far the largest economy of any state in the country. Texas's $1.8 trillion real GDP

ranked a distant second among states. California alone accounted for nearly one-seventh (14.6 percent) of the U.S. GDP, which totaled $19.4 trillion in the second quarter of 2021.

- Financial activities contributed the most to California's real GDP in the second quarter of 2021, with a 16.6 percent share of total GDP. The real estate and rental and leasing subsector alone accounted for 11.9 percent of total GDP. Professional and business services share of total GDP was 15.5 percent, with the professional, scientific, and technical services subsector alone contributing a 10.4 percent share to total GDP. Information (14.3 percent); trade, transportation, and utilities (14.0 percent); manufacturing (13.4 percent); and government (10.3 percent) were the other major industry sectors that contributed more than 10 percent shares to California's total real GDP in the second quarter of 2021.

- The pandemic had a large negative impact on real GDP in California, but the economy has since recovered. From the second quarter of 2016 through the first quarter of 2020, California's real GDP grew by $330 billion in value and grew at a steady annualized rate of 4.0 percent per year.

Figure 2



Source: U.S. Bureau of Economic Analysis (BEA)

- Real GDP fell by $247 billion in the second quarter of 2020 following the outbreak of the pandemic and the partial closure of the economy to mitigate its spread. This was a 9.0 percent loss of real GDP in a single quarter. In effect, in a single quarter the pandemic erased three-quarters of the GDP gain that had accumulated over the previous 15 quarters. However, real GDP rose sharply in the third quarter of 2020 after pandemic restrictions in the state were eased, growing by $188 billion, and increased by an additional $139 billion dollars from the third quarter of 2020 through the second quarter of 2021. California's real GDP in the second quarter of 2021 was $68 billion higher than it was in the fourth quarter of 2019, and it appeared to have returned to its longer run growth trajectory.

- California's real GDP grew by $419 billion over the five-year period from the second quarter of 2016 through the second quarter of 2021. Information was the leading contributor to this increase, growing by $152.3 billion. Professional and business services increased by $108.0 billion, with two-thirds of this increase coming from the professional, scientific, and technical services subsector. Manufacturing's contribution to overall GDP increased by $93.8 billion over this five-year period, with durable goods manufacturing accounting for over three-fifths (62.2 percent) of this gain. Financial activities ($53.2 billion) was the only other California industry sector to grow by more than $50 billion.

- In percentage terms, California's real GDP grew by 17.3 percent from the second quarter of 2016 through the second quarter of 2021. Information (60.4 percent) had the largest increase among industry sectors and subsectors over this period, followed by management of companies and enterprises (50.8 percent). The contributions of three additional industry subsectors increased by more than 30 percent: durable goods manufacturing (33.7 percent); professional, technical, and scientific services (31.8 percent); and nondurable goods manufacturing (31.2 percent). Administrative and support and waste management and remediation services (26.1 percent), finance and insurance (25.6 percent), utilities (19.6 percent), and health care and social assistance (17.9 percent) were the other industry subsectors that grew at a faster rate than overall real GDP.

- At the opposite end of the spectrum, the contributions of seven industry subsectors to overall real GDP decreased from the second quarter of 2016 through the second quarter of 2021. Five subsectors had decreases of more than 10.0 percent: mining, quarrying, and oil and gas extraction (down 21.6 percent); arts, entertainment, and recreation (18.4 percent); accommodation and food services (17.8 percent); military (12.7 percent); and agriculture, forestry, fishing, and hunting (11.8 percent). Other services (9.0 percent) and educational services (5.5 percent) also had decreases. The decreases in most of these subsectors appear to reflect lingering effects from the COVID-19 pandemic. Prior to the pandemic, five of these seven subsectors had positive contributions to California's real GDP over the five year period ending on the fourth quarter of 2020. Military and mining, quarrying, and oil and gas extraction were the two exceptions.

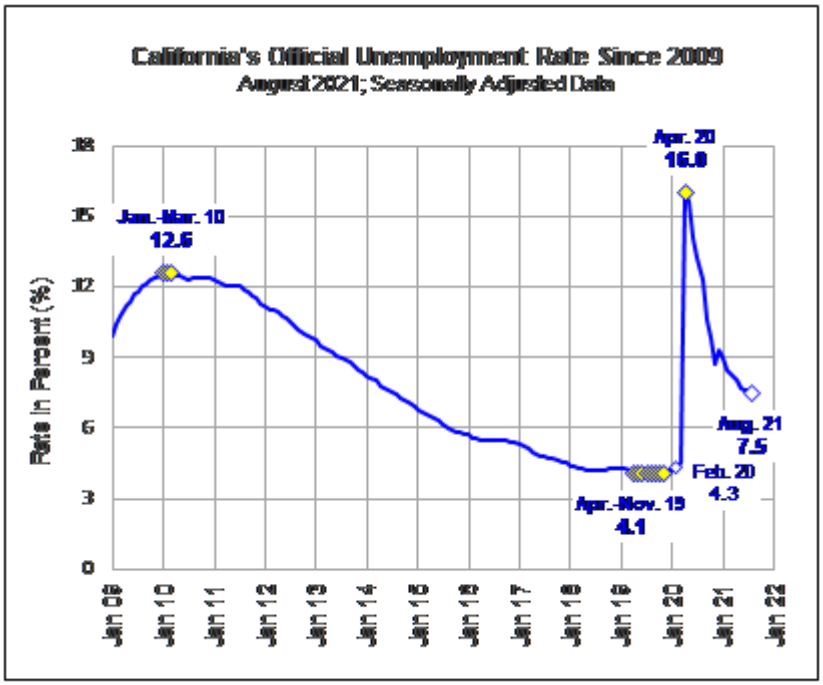
Unemployment in California

<u>Statewide</u>

- At the beginning of California's 10-year employment expansion in February 2010, California's unemployment rate stood at 12.6 percent, tying January 2010 and March 2010 for what was then California's highest unemployment rate on record in the official data series that dates back to the beginning of 1976. California's unemployment rate fell steadily over the course of its 10-year expansion. By June 2017, California's 4.8 percent unemployment rate equaled what was then a record low, and in August 2017, the state's 4.7 percent unemployment entered record low territory. The rate continued to fall thereafter as the expansion progressed and bottomed out at a record low of 4.1 percent in April-November 2019 before inching up to 4.3 percent in February 2020.

- California experienced an unprecedented spike in unemployment after the outbreak of the COVID-19 pandemic. Although California's unemployment rate rose by a modest 0.2 percentage point to 4.5 percent in March 2020, this was the state's largest rate increase since October 2009, when the economy was still in a recession. The unemployment rate rose precipitously to a record shattering 16.0 percent in April 2020. In just a two-month period following the outbreak of the pandemic, California's unemployment rose by 11.7 percentage points from a near record low to a record high. To put the magnitude of this increase into perspective, during the Great Recession, California experienced a trough-to-peak unemployment rate increase of 7.7 percentage points from January 2007 through January 2010.

Figure 3



Source: Employment Development Department.

- California's unemployment rate began to fall sharply and swiftly from its April 2020 peak after the state began easing pandemic restrictions and re-opening its economy. From April 2020 through August 2021, the rate fell in 14 out of 16 months, decreasing by 8.5 percentage points over the period. The only exceptions were a 0.6 percentage point increase in December 2020 when stricter public health restrictions were in place and no change in July 2021. Despite this improvement, California's 7.5 percent unemployment rate in August 2021 was 3.2 percentage points higher than its pre-pandemic level in February 2020.

- During the Great Recession, the number of unemployed Californians peaked at 2,286,000 persons in October 2010 and fell steadily over the course of the February 2010-February 2020 expansion. By June 2019, civilian unemployment had fallen to 785,000 persons, which was a 27-year low. Although unemployment inched up to 845,000 persons by February 2020, it was still at a level the state had not experienced since the latter stages of its May 1993-January 2001 economic expansion.

- The pandemic changed everything. Following its outbreak and the imposition of strict public health restrictions to mitigate its spread, the number of unemployed Californians surged from 845,000 persons in February 2020 to 2,966,000 persons in April 2020. This was a 2,121,000-person increase over two months. All but 19,000 persons of this increase occurred in month of April 2020 alone. To put this increase into perspective, over the course of the Great Recession, the number of unemployed Californians increased by 1,425,000 persons over a four-year period from October 2006 through October 2010.

- The number of unemployed fell sharply from its April 2020 peak after the state began easing pandemic restrictions and re-opening its economy. Civilian unemployment fell from 2,966,000 persons in April 2020 to 1,432,000 persons in August 2021, which was a 1,534,000-person decrease. Despite this improvement, there were 587,000 more unemployed Californians in August 2021 than there were before the pandemic in February 2020.

Regional Unemployment Rates

- Because regional unemployment rates are not seasonally adjusted, the only way to effectively control for seasonality to compare changes in the data over time is to compare like months of the calendar year. Although this is no obstacle in analyzing unemployment trends over the course of the February 2010-February 2020 expansion, it does present a problem when looking at regional unemployment rates during the pandemic-induced recession and subsequent recovery.

- At the beginning of the expansion in February 2010, the not seasonally adjusted unemployment rates of California's 15 regions ranged from a low of 10.2 percent in Orange to a high of 18.6 percent in San Joaquin Valley.

Table 10

Unemployment Rates in California Regional Planning Units (Regions) During the February 2010-February 2020 Expansion

Not Seasonally Adjusted Data

(Regions ranked by percentage change in unemployment rates.)

No data	**February 2010**	**February 2020**	**10-Year Change**
CALIFORNIA (Not Seasonally Adjusted)	13.0%	4.3%	-8.7%
LARGEST REGIONS	No data	No data	No data
Orange	10.2%	2.8%	-7.4%
Bay-Peninsula	10.4%	2.4%	-8.0%
Los Angeles Basin	12.7%	4.7%	-8.0%
Southern Border	12.0%	3.8%	-8.2%
East Bay	11.4%	3.0%	-8.4%

No data	**February 2010**	**February 2020**	**10-Year Change**
North Bay	11.9%	3.3%	-8.6%
Capital	13.8%	4.2%	-9.6%
San Joaquin Valley	18.6%	8.4%	-10.2%
Inland Empire	14.3%	3.9%	-10.4%
SMALLEST REGIONS	No data	No data	No data
South Central Coast	10.7%	3.9%	-6.8%
Ventura	11.4%	3.7%	-7.7%
North Coast County	11.6%	3.8%	-7.8%
North Central Coast	17.5%	8.7%	-8.8%
North State	16.7%	5.6%	-11.1%
Middle Sierra	16.2%	4.7%	-11.5%

Source: Employment Development Department.

- Six regions had unemployment rates that were higher than California's not seasonally adjusted rate of 13.0 percent in February 2010: San Joaquin Valley (18.6 percent), North Central Coast (17.5 percent), North State (16.7 percent), Middle Sierra (16.2 percent), Inland Empire (14.3 percent), and Capital (13.8 percent). Only three regions had unemployment rates below 11.0 percent: South Central Coast (10.7 percent), Bay-Peninsula (10.4 percent), and Orange (10.2 percent).

- Regional unemployment rates fell substantially in all regions of the state over the course of the expansion. By its end in February 2020, regional unemployment rates ranged from a low of 2.4 percent in Bay-Peninsula to a high of 8.7 percent in North Central Coast. Two regions—Bay-Peninsula (2.4 percent) and Orange (2.8 percent)—had unemployment rates below 3.0 percent. Seven additional regions had unemployment rates below 4.0 percent: East Bay (3.0 percent), North Bay (3.3 percent), Ventura (3.7 percent), Southern Border (3.8 percent), North Coast County (3.8 percent), Inland Empire (3.9 percent), and South Central Coast (3.9 percent).

- Every California region had an unemployment rate decrease of at least 6.8 percentage points from February 2010 through February 2020. Four regions had 10-year unemployment rate decreases of 10.0 percentage points or more: Middle Sierra (11.5 percent), North State (11.1 percent), Inland Empire (10.4 percent), and San Joaquin Valley (10.2 percent). Two additional regions—Capital (9.6 percent) and North Central Coast (8.8 percent) —had 10-year unemployment rate decreases greater than the state's 8.7 percentage point decrease. Only four regions had 10-year unemployment rate decreases of less than 8.0 percentage points: North Coast County (7.8 percent), Ventura (7.7 percent), Orange (7.4 percent), and South Central Coast (6.8 percent).

- Because not seasonally adjusted regional unemployment data, which require comparing like months of the calendar year to control for seasonality, are not well suited for analyzing the time frames of the February 2020-April 2020 pandemic-induced recession or the April 2020-August 2021 recovery-to-date, year-over unemployment rate changes in April 2020 and August 2021 are the most effective way to compare regional unemployment rate trends during the pandemic-induced recession and recovery, respectively.

- All regions of California experienced a sharp spike in unemployment as a result of the COVID-19 pandemic. At the peak of the pandemic-induced recession in April 2020, the not seasonally adjusted unemployment rates among California's regions ranged from a low of 12.4 percent in Bay-Peninsula to a high of 18.5 percent in North Central Coast. The April 2020 unemployment rate in each region of the state was the highest ever recorded for the month of April in a data series extending back to the beginning of 1990.

- Five California regions had higher unemployment rates than the state's not seasonally adjusted rate of 16.0 percent in April 2020: North Central Coast (18.5 percent), Los Angeles Basin (18.2 percent), San Joaquin Valley (17.9 percent), Middle Sierra (16.8 percent), and Southern Border (16.5 percent). Four additional regions had unemployment rates above 15.0 percent: North State (15.5 percent), Inland Empire (15.2 percent), North Bay (15.2 percent), and North Coast County (15.2 percent). Only six of California's 15 regions had unemployment rates of less than 15.0 percent: East Bay (14.8 percent), Capital (14.7 percent), Ventura (14.5 percent), Orange (14.4 percent), South Central Coast (14.3 percent), and Bay-Peninsula (12.4 percent).

Table 11

Year-over Unemployment Rates in California Regional Planning Units (Regions) at the Height of the Pandemic-Induced Recession in April 2020 and During the Recovery in August 2021

Not Seasonally Adjusted Data

(Regions ranked by year-over percentage change in unemployment rates.)

No data	April 2019	April 2020	Year-Over Change
CALIFORNIA (Not Seasonally Adjusted)	3.9%	16.0%	12.1%
LARGEST REGIONS	No data	No data	No data
Los Angeles Basin	4.1%	18.2%	14.1%
Southern Border	3.5%	16.5%	13.0%
North Bay	2.9%	15.2%	12.3%
East Bay	2.7%	14.8%	12.1%
Orange	2.5%	14.4%	11.9%
Inland Empire	3.6%	15.2%	11.6%
Capital	3.8%	14.7%	10.9%

No data	April 2019	April 2020	Year-Over Change
San Joaquin Valley	7.5%	17.9%	10.4%
Bay-Peninsula	2.2%	12.4%	10.2%
SMALLEST REGIONS	No data	No data	No data
Middle Sierra	4.1%	16.8%	12.7%
North Central Coast	6.5%	18.5%	12.0%
North Coast County	3.5%	15.2%	11.7%
North State	5.0%	15.5%	10.5%
South Central Coast	3.1%	14.3%	11.2%
Ventura	3.2%	14.5%	11.3%
No data	August 2020	August 2021	Year-Over Change
CALIFORNIA (Not Seasonally Adjusted)	12.3%	7.5%	-4.8%
LARGEST REGIONS	No data	No data	No data
San Joaquin Valley	12.0%	9.1%	-2.9%
Capital	10.0%	6.6%	-3.4%
North Bay	9.3%	5.8%	-3.5%
Bay-Peninsula	8.6%	4.8%	-3.8%
Inland Empire	11.5%	7.6%	-3.9%
East Bay	10.5%	6.3%	-4.2%
Southern Border	11.4%	7.2%	-4.2%
Orange	10.7%	6.0%	-4.7%
Los Angeles Basin	17.5%	9.7%	-7.8%
SMALLEST REGIONS	No data	No data	No data
North Central Coast	9.0%	6.5%	-2.5%
North State	9.0%	6.5%	-2.5%
South Central Coast	8.4%	5.5%	-2.9%
Middle Sierra	9.4%	6.4%	-3.0%
North Coast County	9.4%	6.1%	-3.3%
Ventura	9.8%	6.2%	-3.6%

Source: Employment Development Department.

Pandemic-Induced Recession

- Each of the state's 15 regions had a year-over unemployment rate increase of at least 10.0 percentage points in April 2020. Los Angeles Basin (14.1 percent) had the largest year-over rate increase and Bay-Peninsula (10.2 percent) had the smallest. Five regions had year-over rate increases equal to or higher than the state's 12.1 percentage point increase: Los Angeles Basin (14.1 percent), Southern Border (13.0 percent), Middle Sierra (12.7 percent), North Bay (12.3 percent), and East Bay (12.1 percent). Only four California regions had year-over unemployment rate increases of less than 11.0 percentage points: Capital (10.9 percent), North State (10.5 percent), San Joaquin Valley (10.4 percent), and Bay-Peninsula (10.2 percent).

- The pandemic caused a large spike in unemployment across regions despite their differences in size, industry mix, and urban or rural orientation. This suggests that the pandemic, or perhaps more accurately the public health measures that were adopted to slow its spread, was the primary driver of the spike in unemployment. In a normal labor market, economic factors would underlie increases in unemployment and regions would exhibit different patterns of unemployment.

- Every California region has seen a substantial improvement in their unemployment rates over the course of the recovery-to-date. In August 2021, regional unemployment rates ranged from a low of 4.8 percent in Bay-Peninsula to a high of 9.7 percent in Los Angeles Basin. Only two regions—Los Angeles Basin (9.7 percent) and San Joaquin Valley (9.1 percent) had not seasonally adjusted unemployment rates above 9.0 percent. Only two additional regions—Inland Empire (7.6 percent) and Southern Border (7.2 percent)—had rates above 7.0 percent. California's 11 remaining regions each had unemployment rates below 7.0 percent, including three with rates below 6.0 percent—North Bay (5.8 percent), South Central Coast (5.5 percent), and Bay-Peninsula (4.8 percent).

- Every California region experienced a substantial year-over decrease in their unemployment rate in August 2021. Los Angeles Basin (7.8 percentage points) had the largest year-over decrease and was the only region to have a larger decrease than the state's overall not seasonally adjusted year-over decrease of 4.8 percentage points. Three additional regions had year-over rate decreases of between 4.0 and 5.0 percentage points: Orange (4.7 percent), Southern Border (4.2 percent), and East Bay (4.2 percent). Only four regions had year-over rate decreases of less than 3.0 percentage points: San Joaquin Valley (2.9 percent), South Central Coast (2.9 percent), North State (2.5 percent), and North Central Coast (2.5 percent).

- Although the state's smallest regions tended to have smaller year-over rate decreases than most of the state's largest regions, each of the state's six smallest regions had not seasonally adjusted unemployment rates of 6.5 percentage points or less in August 2021, compared to just four of the state's nine largest regions.

<u>Effects of the COVID-19 Pandemic on California's Labor Market</u>

- The COVID-19 pandemic and the public health restrictions that were necessary to mitigate its spread abruptly ended California's 10-year employment expansion in February 2020 and disrupted labor markets throughout the state, resulting in unprecedented job losses that spanned all industry sectors and spikes in unemployment

that spanned all regions. California's labor markets began to recover quickly from April 2020 forward as these restrictions were eased and eventually lifted. However, California still had a long way to go to achieve full recovery as of August 2021.

- Although pandemic-related job losses were widespread across industry sectors, they were concentrated in the leisure and hospitality and other services sectors and in industries in other sectors that involve a large degree of interpersonal contact, in which people congregate, or which have a strong travel and tourism orientation. In addition to public wariness about these sorts of interactions in the midst of a pandemic, these same industry sectors and industries were most directly targeted by public health measures that initially shutdown all but nonessential services, which also established longer duration limitations and social distancing requirements on indoor activities. Travel and tourism ground to a near halt in the immediate aftermath of the pandemic outbreak as a result of the general public's trepidation about the coronavirus and the imposition of travel restrictions and other limitations on people's movement.

- In contrast, industries that provide essential goods and services to the general public remained open throughout the pandemic. Employment in these industries, as well as those most amenable to remote work, or telework, were less directly impacted by the pandemic. However, front-line workers in essential industries such as health care, retail (including grocery stores), and agriculture tended to face much greater risks of being exposed to COVID-19 than did remote workers.

- The end of the pandemic-induced recession and subsequent recovery corresponds in time to when the shutdown of nonessential services was lifted, and public health restrictions on interpersonal interactions and public movement were eased and eventually lifted. Job gains over the course of the April 2020-August 2021 recovery were also widespread across all industry sectors except government and mining and logging, but concentrated in those industry sectors that fared the worst during the pandemic-induced recession.

- At the regional level, pandemic-related job losses were widespread across all industry sectors in every region. Job gains during the recovery were widespread across most industry sectors across regions. Similarly, every region of the state experienced a sharp spike in their unemployment rate during the pandemic-induced recession followed by substantial rate decreases over the course of the recovery. Differences among regions were largely a matter of degree. Generally speaking, the pattern of regional employment and unemployment have mirrored those in the state as a whole during the pandemic.

- In summary, the COVID-19 pandemic has driven California's cycle of recession and recovery since February 2020, not basic fundamentals within the economy and labor market. The current business cycle is unique in this respect. In the absence of evidence to the contrary, the pre-pandemic situation remains the best depiction of the "normal" labor market.

- It is not as yet clear whether or not the COVID-19 pandemic will have lasting impacts on the labor market itself. This is in large part due to the fact that the pandemic itself is not yet over or under control, as evidenced by the late summer of 2021 surge in the number of COVID-19 cases in some parts of the United States that were fueled by the Delta variant. Moreover, any lasting effects of the pandemic will only be revealed in hindsight. Nevertheless, it seems reasonable to assume that the longer the pandemic persists, the more lasting its impacts will be.

- There does not as yet appear to be conclusive evidence that the pandemic has changed the dynamics of the labor market in any fundamental sense. However, it does appear to have accelerated some trends that were already developing and caused segments of the labor market to fall out of alignment. Common themes about the effect in any fundamental sense of the pandemic on the labor market, distilled from numerous media reports and economic forums over the course of the pandemic, yields the following observations about the pandemic's impacts on the labor market to-date:

- The share of online shopping and home delivery in consumer spending, already increasing over time, has surged over the course of the pandemic and shows little sign of abating.

- The number and share of remote workers, or teleworkers, in the workforce has expanded substantially over the course of the pandemic. This has had beneficial follow-on implications for traffic congestion and emissions. Looking forward, it is not clear how much of this movement towards remote work will be permanent or how much will be transitory. Many observers believe that hybrid remote work/in-office work arrangements will become the norm in many industries.

- The expansion of remote work has weakened the traditional bonds between where people live and work, fueling an outmigration of many remote workers, particularly those with young families, from the urban core to more remote suburbs and exurbs where more spacious and plentiful housing options are available. This trend has in turn led to rising rents and home prices in more outlying urban areas as well as increased demand for goods and services in these areas. However, there is no consensus as to how long this trend will continue. Many expect a counter trend back to the urban core will develop over time.

- Nationally, there has been an increase in the number of baby boomers who have retired during the pandemic. This surge in part reflects that older individuals are the most at-risk segment of the population to the COVID-19 virus. Rising home equity values may have also contributed to this surge in retirement by providing many older workers greater financial security in retirement.

- Consumer spending, in part fueled by transfer payments from the federal government, has shifted away from services—many of the providers of which were shuttered or had to limit operations during the pandemic—to durable goods over the course the

pandemic. This trend is expected to reverse now that the economy has reopened and federal assistance is waning.

- Strong consumer spending and demand for durable goods, combined with temporary closures of production facilities and ports either home or abroad, have contributed to persistent supply chain bottle necks within the economy, creating delays in goods procurement and production and contributing to inflation within the general economy. Rather than proving to be transitory, supply chain difficulties appear to have grown and worsened over the course of the recovery. The apparent cracks that the pandemic has revealed in the global just-in-time goods production and delivery model have led some observers to believe that global supply chains will be re-organized over time. This may involve some re-shoring of activities that are currently performed abroad over the long term.

- Widespread worker shortages have been reported in many industries during the recovery, including the hard hit restaurant industry. These shortages have persisted even as wages have risen and unemployment remains elevated with respect to pre-pandemic levels. Among the more prominently cited contributing factors to labor shortages were: a continued reluctance among some workers to take jobs in which they are at higher risk of contracting COVID-19 and child and dependent care constraints, particularly for women in low income households, that were exacerbated by school campus closures. Some observers contend that federal pandemic assistance created disincentives for unemployed workers to seek work, particularly in low wage industries. However, the counter-argument to this claim is that this assistance provided many low-wage workers the opportunity to seek out jobs with better pay and working conditions rather than take the first job made available to them. Whatever the myriad causes, the pandemic appears to have caused a misalignment between labor demand and supply in parts of the labor market that will only be resolved over time.

- Although the pandemic does not appear to have changed fundamental inequalities within the labor market, it has exacerbated existing ones. For example, leisure and hospitality and other services, the two sectors hardest hit by the pandemic, are low wage industries with workforces that tend to be less well educated and skilled and disproportionately young and female. In contrast, the remote workers who escaped the pandemic-induced recession comparatively unscathed tend to work in high wage industries that have workforces that are more educated and skilled, and disproportionately older and male.

<u>Unemployment Rates of Demographic Groups in California</u>

- According to the United States (U.S.) Bureau of Labor Statistics (BLS), labor market differences among the race and ethnicity groups are associated with many factors, not all of which are measurable. These factors include variations in educational attainment across the groups; the occupations and industries in which the groups work; the geographic areas of the country in which the groups are concentrated, including whether they tend to reside in urban or rural settings; and the degree of discrimination encountered in the workplace.

- Across all of California's demographic groups, the unemployment rates have decreased over the past year. The unemployment rates of demographic groups are calculated differently from the official unemployment rate in that they are derived solely from the U.S. Census Bureau's Current Population Survey (CPS) data and calculated on a 12-month average basis in order to minimize the statistical variability associated with California's comparatively small CPS sample size.

- According to these 12-month average CPS data, over the nine years ending in August 2021, California's unemployment rate decreased by 2.4 percentage points. The largest unemployment rate decrease of any demographic group was among youths aged 16 to 19 years old, whose unemployment rate fell 17.7 percentage points from August 2012 through August 2021, or from 35.4 percent to 17.7 percent. In contrast, among Californians who had a bachelor's degree or higher, this group had a far lower unemployment rate over the nine years ending in August 2021. This demographic group fell by 0.4 percentage point, or from 6.2 percent to 5.8 percent. A summary of unemployment rate trends among key demographic groups follows.

- The unemployment rate for men fell 2.6 percentage points between August 2012 and August 2021. The rate for women fell 2.2 percentage points over the same period. Whereas the unemployment rate for men ticked up 0.5 percentage point between August 2020 and August 2021, it fell by 0.3 percentage point among women.

- Over the time periods examined, younger workers tended to have substantially higher unemployment rates than older workers. The 17.7 percentage point unemployment rate decrease among teens aged 16 to 19 years old from August 2012 to August 2021 was the largest among age cohorts, followed by the 3.1 percentage point decrease among younger workers between the ages of 20 and 24 years old. In contrast, the unemployment rate for Californians between the ages of 55 and 64; and 65 and over fell by 1.3 percentage points over the same period of time.

- The unemployment rate among native-born workers tended to be higher than that of foreign-born workers over the August 2012 through August 2021 period. Among foreign-born workers, the unemployment rate of naturalized U.S. citizens was consistently lower than that of foreign-born workers that were not U.S. citizens. The unemployment rates across national origin groups fell substantially between August 2012 and August 2021 with percentage point declines ranging from 1.1 (foreign-born, naturalized U.S. citizen) to 4.1 (foreign-born, not a U.S. citizen) over the period.

- The unemployment rates of Black and Hispanic/Latino workers tended to be higher than those of White and Asian workers over the August 2012 through August 2021 period. However, Black and Hispanic/Latino workers experienced larger decreases in their respective unemployment rates than White and Asian workers over that period of time. Between August 2020 and August 2021, the unemployment rates among Black and Hispanic/Latino workers increased by 2.7 and 0.4, respectively. This differs from the nominal gain in the unemployment rate experienced by White workers (0.1 percentage point) and the decline among Asian workers (0.4 percentage point).

- The BLS found that the unemployment rates for people at each level of educational attainment have, in general, moved in tandem with the business cycle. Between August 2012 and August 2021, the largest unemployment rate decrease occurred among Californians with less than a high school diploma (6.6 percentage points), followed by high school graduates, with no college experience (2.2 percentage points), and those who had some college experience, but no degree (2.0 percentage points). In contrasts, the unemployment rate among Californians with an associate degree fell by 0.9 percentage point and Californians with a bachelor's degree or higher fell by 0.4 percentage point over the nine years ending in August 2021.

- The unemployment rate among Californians with disabilities fell by 4.6 percentage points between August 2012 and August 2021. However, the unemployment rate for this demographic group of workers increased by 5.4 percentage points, the largest percentage point gain of any of the demographic groups between August 2020 and August 2021.

- The unemployment rate among California's veterans fell from 9.1 percent in August 2012 to 6.6 percent in August 2021; a decrease of 2.5 percentage points. A larger decrease over the period than the one experienced by non-veterans (2.4 percentage points). Between August 2020 and August 2021, the unemployment rate for the State's veterans declined by 0.8 percentage point, while the unemployment rate increased for non-veterans (0.1 percentage point) over that period of time.

Table 12

Unemployment Rates by Demographic Group in California

(Unemployed as a Percent of the Labor Force, 12-Month Average of Current Population Survey Data)

	August 2012	**August 2020**	**August 2021**	**Net Percentage Point Change August 2012 to August 2021**	**Year-Over Percentage Point Change August 2020 to August 2021**
All Groups, Age 16 and Over	10.9%	8.3%	8.5%	-2.4	0.2
no data	no data	no data	no data	no data	no data
Gender	no data	no data	no data	no data	no data
Male	10.9%	7.8%	8.3%	-2.6	0.5
Female	10.8%	8.9%	8.6%	-2.2	-0.3
no data	no data	no data	no data	no data	no data
Age	no data	no data	no data	no data	no data
16 to 24	20.8%	15.7%	14.5%	-6.3	-1.2
16 to 19	35.4%	21.5%	17.7%	-17.7	-3.8

	August 2012	August 2020	August 2021	Net Percentage Point Change August 2012 to August 2021	Year-Over Percentage Point Change August 2020 to August 2021
20 to 24	16.4%	13.8%	13.3%	-3.1	-0.4
25 to 34	10.6%	8.7%	8.8%	-1.7	0.2
35 to 44	8.8%	6.6%	7.0%	-1.8	0.4
45 to 54	8.6%	6.8%	6.8%	-1.8	0.0
55 to 64	8.9%	6.9%	7.7%	-1.3	0.8
65 and over	9.6%	8.1%	8.3%	-1.3	0.2
no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data
Native-Born	10.9%	8.3%	8.6%	-2.3	0.3
Foreign-Born	10.8%	8.3%	8.1%	-2.7	-0.3
Foreign Born, Naturalized U.S. Citizen	8.9%	7.1%	7.8%	-1.1	0.7
Foreign Born, Not a U.S. Citizen	12.5%	9.6%	8.3%	-4.1	-1.3
no data					
Race	no data	no data	no data	no data	no data
White	10.6%	8.0%	8.2%	-2.4	0.1
Black	18.5%	10.0%	12.7%	-5.8	2.7
American Indian, Alaskan Native	14.3%	12.3%	7.5%	-6.8	-4.8
Asian	8.2%	7.9%	7.6%	-0.6	-0.4
Hawaiian/Pacific Islander	12.4%	7.2%	10.8%	-1.5	3.7
One or more races	14.9%	12.3%	11.8%a	-3.1	-0.5
Ethnicity	no data	no data	no data	no data	no data
Latino/Hispanic	13.2%	9.3%	9.7%	-3.5	0.4
Non-Hispanic	9.5%	7.8%	7.7%	-1.8	-0.1
no data	no data	no data	no data	no data	no data

	August 2012	August 2020	August 2021	Net Percentage Point Change August 2012 to August 2021	Year-Over Percentage Point Change August 2020 to August 2021
Educational Attainment	no data	no data	no data	no data	no data
Less than a high school diploma	17.7%	13.1%	11.1%	-6.6	-2.0
High school graduates , no college	13.0%	9.8%	10.9%	-2.2	1.1
Some college, no degree	11.7%	9.7%	9.7%	-2.0	0.0
Associate degree	9.6%	8.6%	8.8%	-0.9	0.2
Bachelor's degree or higher	6.2%	5.7%	5.8%	-0.4	0.1
no data	no data	no data	no data	no data	no data
Disability	no data	no data	no data	no data	no data
Has a Disability	18.5%	8.5%	13.9%	-4.6	5.4
Doesn't Have a Disability	10.7%	4.0%	8.3%	-2.4	4.3
no data	no data	no data	no data	no data	no data
Served in Armed Forces	no data	no data	no data	no data	no data
Yes	9.1%	7.4%	6.6%	-2.5	-0.8
No	10.8%	8.4%	8.5%	-2.4	0.1

Source: U.S. Census Bureau; Employment Development Department.

Labor Underutilization in California

Californians Who Work Part-Time for Economic Reasons

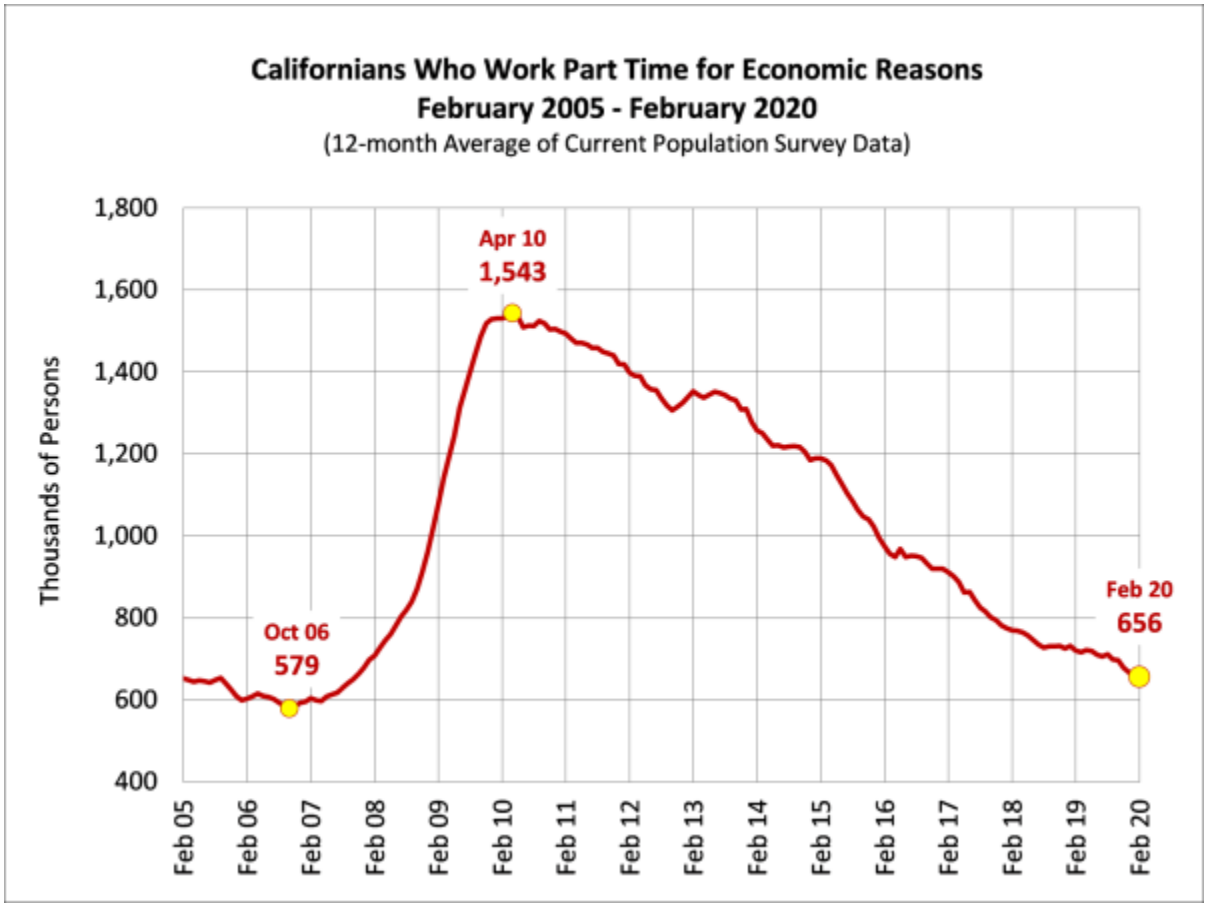
- The unemployment rate, while a valuable and widely understood barometer of labor market conditions, is narrowly defined. According to the BLS, an unemployed person is someone who did not work at least one hour for pay but actively sought work in the four-week period leading up to the household survey reference week. If an individual is neither employed nor unemployed, by definition he or she is considered to be not in the labor force. As such, the unemployment rate does not capture underemployment within the labor market. Nor does it track individuals who are marginally attached to the labor market. These are individuals who want to work and are available to work and have sought work in the past year, but had not actively sought work in the last four weeks.

- The concept of underemployment has several aspects. Generally speaking, underemployment refers to workers who work part-time hours but desire to work full-time hours or more hours than they are currently working; workers who are working on a temporary basis but desire permanent employment; and workers doing work for which they are overqualified in terms of education, skills, and experience and who desire work which better matches their qualifications. Unfortunately, it is only possible to track the hours-worked aspect of underemployment over time using established labor market information tools, namely the CPS of households.

- The BLS defines workers who work part-time for economic reasons, or involuntary part-time employment, as those workers who work part-time but desire full-time work. Working 35 hours or more per week is the threshold for full-time work. Working less than 35 hours per week is the threshold for part-time work. Those who work part-time for economic reasons include workers who usually work full-time but have had their hours slashed to part-time status by their employers, and workers who desire and are available to work full-time work but have had to settle for part-time work because that was the best employment option they could find.

- According to 12-month average data from the CPS, the number of Californians who worked part-time for economic reasons reached a low of 579,000 persons in October 2006 prior to the Great Recession. They accounted for 3.4 percent of all working Californians. The number of persons working part-time for economic reasons shot up during the recession and peaked at 1,543,000 persons in April 2010, when nearly one out of every ten (9.6 percent) employed Californians worked part-time involuntarily.

Figure 4



Source: Employment Development Department.

- The number of persons working part-time for economic reasons fell steadily, if gradually, over the course of the California's long employment expansion. In October 2019, 697,000 Californians worked part-time for economic reasons. They accounted for 3.7 percent of all working Californians, which was more or less on par with the pre-recession low.

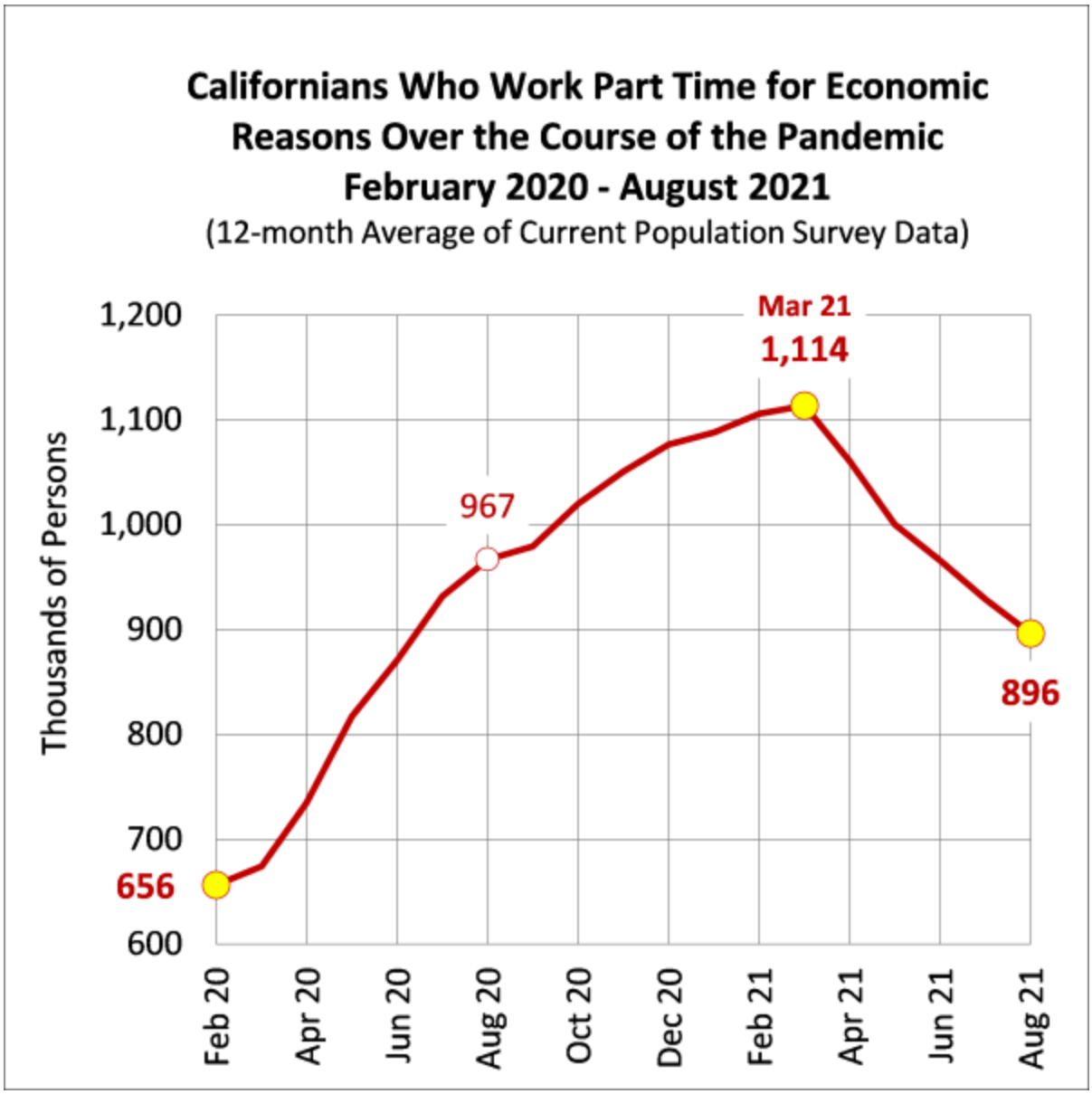
- However, the data also suggest that involuntary part-time employment in California has increasingly become an issue of workers having to settle for part-time work even though they desire full-time work. Prior to the recession in October 2006, nearly two-fifths (37.8 percent) of the Californians who worked part-time for economic reasons usually worked full-time but had their hours cut by their employers. A little over three-fifths (62.2 percent) usually worked part-time but desired full-time hours. In contrast, one-quarter (24.8 percent) of involuntary part-time workers usually worked full-time but had their hours cut and three-quarters (75.2 percent) were those who desired full-time work but had to settle for part-time work in February 2020.

<u>The Pandemic-Induced Business Cycle</u>

- Unfortunately, estimates of the number of Californians who work part-time for economic reasons show only a lagged response to the pandemic because they are calculated as a 12-month average of Current Population Survey data. Nevertheless, the data show a sharp rise in involuntary part-time unemployment in California following outbreak of the pandemic, followed by rapid decreases during the recovery.

- The number of Californians working part-time for economic reasons rose from 656,000 in February 2020 to a peak of 1,114,000 in March 2021. This was an increase of 457,000 persons (69.7 percent) over a 13-month period. Over two-thirds (68.0 percent) of this increase occurred from February 2020 through August 2020, or soon after the pandemic outbreak. In contrast, the number of Californians working part-time for economic reasons fell from its peak of 1,114,000 persons in March 2021 to 896,000 persons in August 2021. This was a decrease of 217,000 persons (19.5 percent) over a six-month period.

Figure 5



Source: Employment Development Department.

- Perhaps more interestingly, the character of involuntary part-time employment changed over the course of the pandemic. Full-time workers who had their hours cut by their employers fueled the February 2020 – August 2020 surge in workers who worked part-time for economic reasons. Their number rose from 163,000 in February 2020 to 466,000 in August 2020, which was an increase of 303,000 persons (186.1 percent) over

just six months. In contrast, the number of workers who usually worked part-time but desired full-time hours rose by just 7,000 persons (1.4 percent) over this same period.

- The character of involuntary part-time employment changed from August 2020 through the March 2021 peak. Whereas the number of workers who usually worked part-time but desired full-time work rose by 94,000 persons (18.8 percent) over this period, the number of workers who usually worked full-time but had their hours cut increased by 53,000 persons (11.3 percent).

- An even greater difference between those who had their hours cut by their employers and those who couldn't find full-time work occurred during the recovery period from March 2021 through August 2021. Whereas the number of workers who involuntarily worked part-time because they had their hours cut by their employers fell by 254,000 persons (49.0 percent), the number of workers who wanted full-time hours but had to settle for part-time work increased by 37,000 (6.2 percent).

- The share of workers who usually work full-time but had their hours cut by their employers amongst all involuntarily part-time workers rose from 24.8 percent in February 2020 to a peak of 48.7 percent in December 2020. Their share had fallen to 29.5 percent by August 2021, and was on track to return to its pre-pandemic level.

- California's experience with involuntary part-time employment over the course of the pandemic underscores the fact that underemployment in California is fundamentally an issue of workers being unable to find the number of hours they desire to work. The exception is during times of economic stress, or recession, when many employers cut the hours of their full-time employees in lieu of laying them off in order to reduce costs.

<u>The U-6 and U-3 Measures of Labor Underutilization</u>

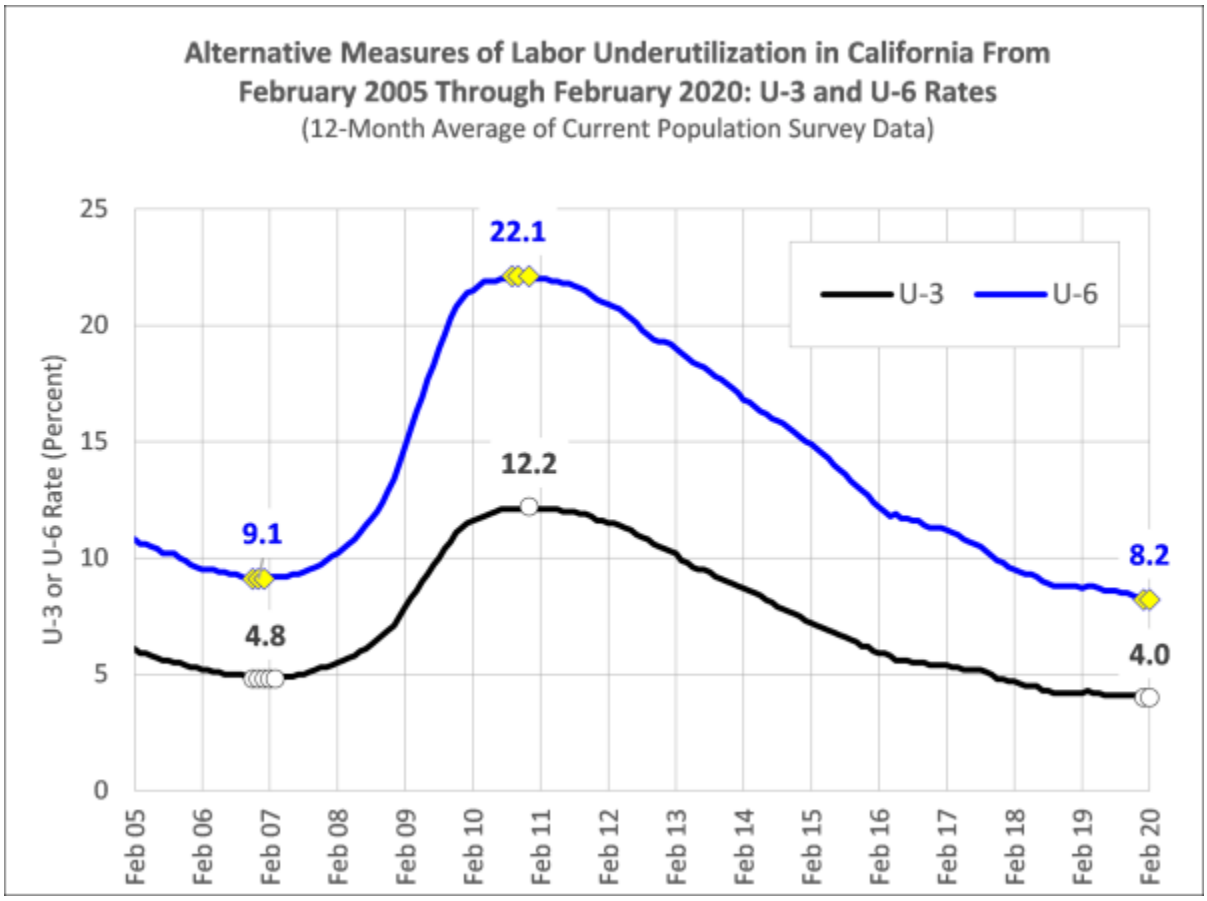
- In acknowledgement that the traditional definition of unemployment is limited in that it does not measure underemployment or track marginally attached workers to the labor force, the BLS has devised six alternative measures of labor underutilization, some that are more restrictive than the unemployment rate and some that are more inclusive and broadly defined. The U-3 measure, or official unemployment, is defined as the total number of unemployed as a percent of the civilian labor force (employed and unemployed persons).

- The U-6 rate is the broadest measure of labor utilization. It is calculated as the number of unemployed, plus the total number of persons who are employed part-time for economic reasons, plus all persons marginally attached to the labor force as a percent of the labor force, plus all persons marginally attached to the labor force.[1] Persons who are marginally attached to the labor force are those who currently are neither working nor looking for work but want to work, are available for a job, and have looked for work sometime in the last year.[2]

- According to 12-month average CPS data, the U-3 rate, which corresponds to the official unemployment rate definition, in California reached a low of 4.8 percent in the months

of November 2006 through March 2007. The U-3 rate rose to a recessionary peak of 12.2 percent in December 2010, then fell over the course of California's long employment expansion to a low of 4.0 percent in January and February 2020, which was 0.8 percentage point below the pre-recession low.

Figure 6



Source: U.S. Census Bureau; Employment Development Department.

- The U-6 rate, which is always higher than the U-3 rate because it is more inclusive and broadly defined than the U-3, reached a pre-recession low of 9.1 percent in October 2006 through January 2007. The U-6 rate skyrocketed during the recession, rising 13.0 percentage points and peaking at 22.1 percent in September, October, and December 2010. Expressed differently, the labor of more than one out of every five workers in California was underutilized in the sense that they were either unemployed, underemployed, or not actively participating in the labor market at the height of the recession. The U-6 rate fell steadily over the course of California's employment expansion to a low of 8.2 percent in January and February 2020, which was 0.9 percentage point lower than the pre-recession low. Even though California's official unemployment rate was at a historic low at this time, the labor of about one out of every 12 California workers was underutilized at the end of the expansion in February 2020.

- The comparison of the U-3 and U-6 rates indicates that the two measures of labor underutilization tend to move together with the business cycle, rising when the economy is weak and falling when it is strong. As such, the official unemployment rate is an effective barometer of labor market conditions. However, it is limited in the sense that it does not capture the full effects of the business cycle. When the unemployment

rate rises, underemployment rises with it, and increasing numbers of marginally attached workers exit the labor force. When the unemployment rate falls, underemployment falls with it and marginally attached workers are drawn into the labor force.

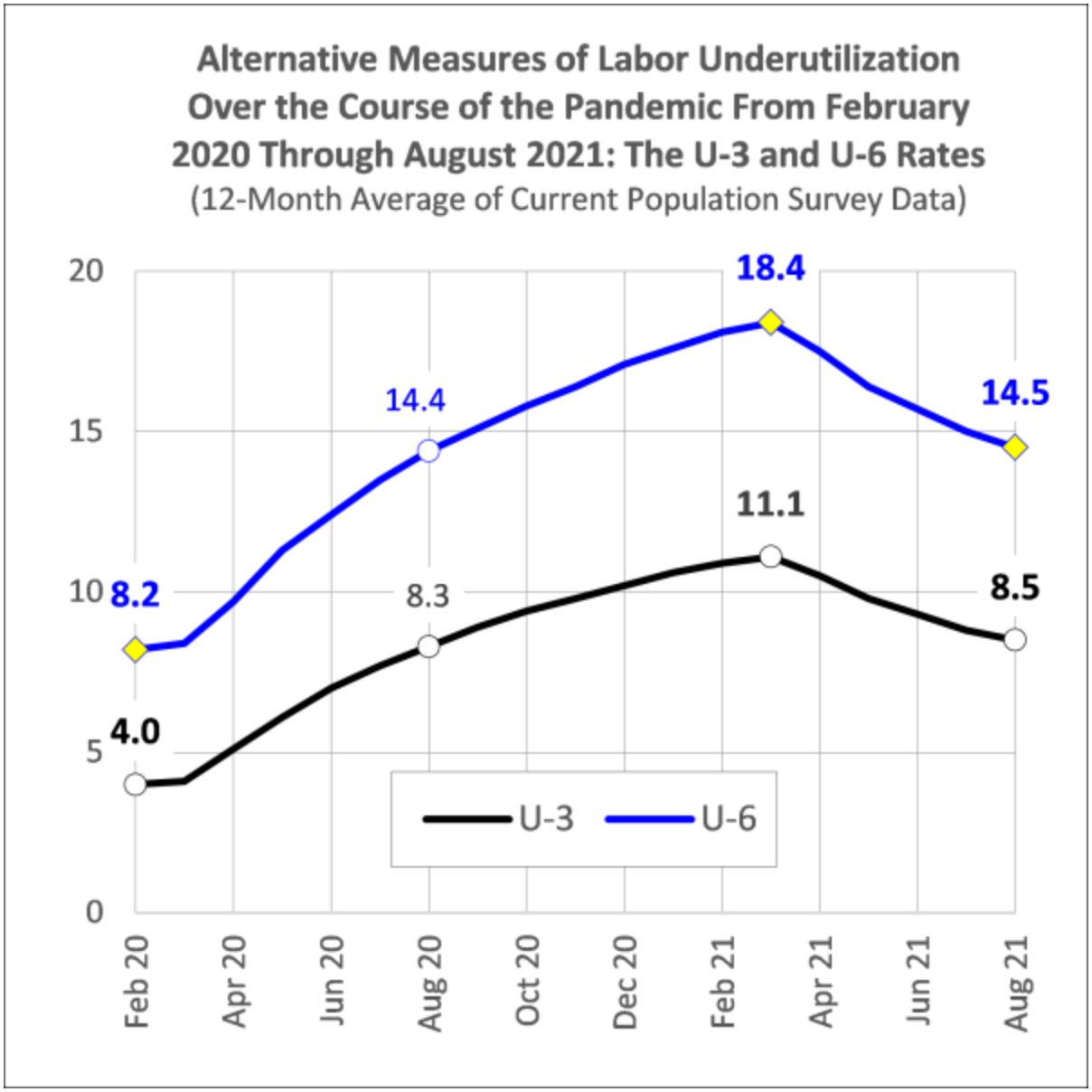
[1] Because the U-6 rate includes marginally attached workers who are not currently in the labor force, the labor force denominator must be expanded to include them in calculating the U-6 rate.

[2] Discouraged workers are a specific subset of marginally attached workers who say they are not actively seeking a job because they don't think they will find one. Twelve-month average Current Population Survey data indicated that there were 87,000 discouraged workers in August 2021. They accounted for less than one-third (31.0 percent) of all California's marginally attached workers. This was double their number at the end of the expansion in February 2020, when there were 44,000 discouraged workers who made up a little over one-quarter (26.5 percent) of all marginally attached workers.

The Pandemic-Induced Business Cycle

- California's U-3 rate rose from 4.0 percent in February 2020 to a peak of 11.1 percent in March 2021. This was an increase of 7.1 percentage points. California's U-6 rate increased by even more over the same period, from 8.2 percent in February 2020 to a peak of 18.4 percent in March 2021. This was an increase of 10.2 percentage points.

Figure 7



Source: U.S. Census Bureau; Employment Development Department.

- Both the U-3 and U-6 rates have fallen as the labor market recovers from the pandemic-induced recession. The U-3 rate fell by 2.6 percentage points to 8.5 percent over the five-month period from March 2021 through August 2021. The U-6 rate fell by even more, falling 3.9 percentage points to 14.5 percent over the same period.

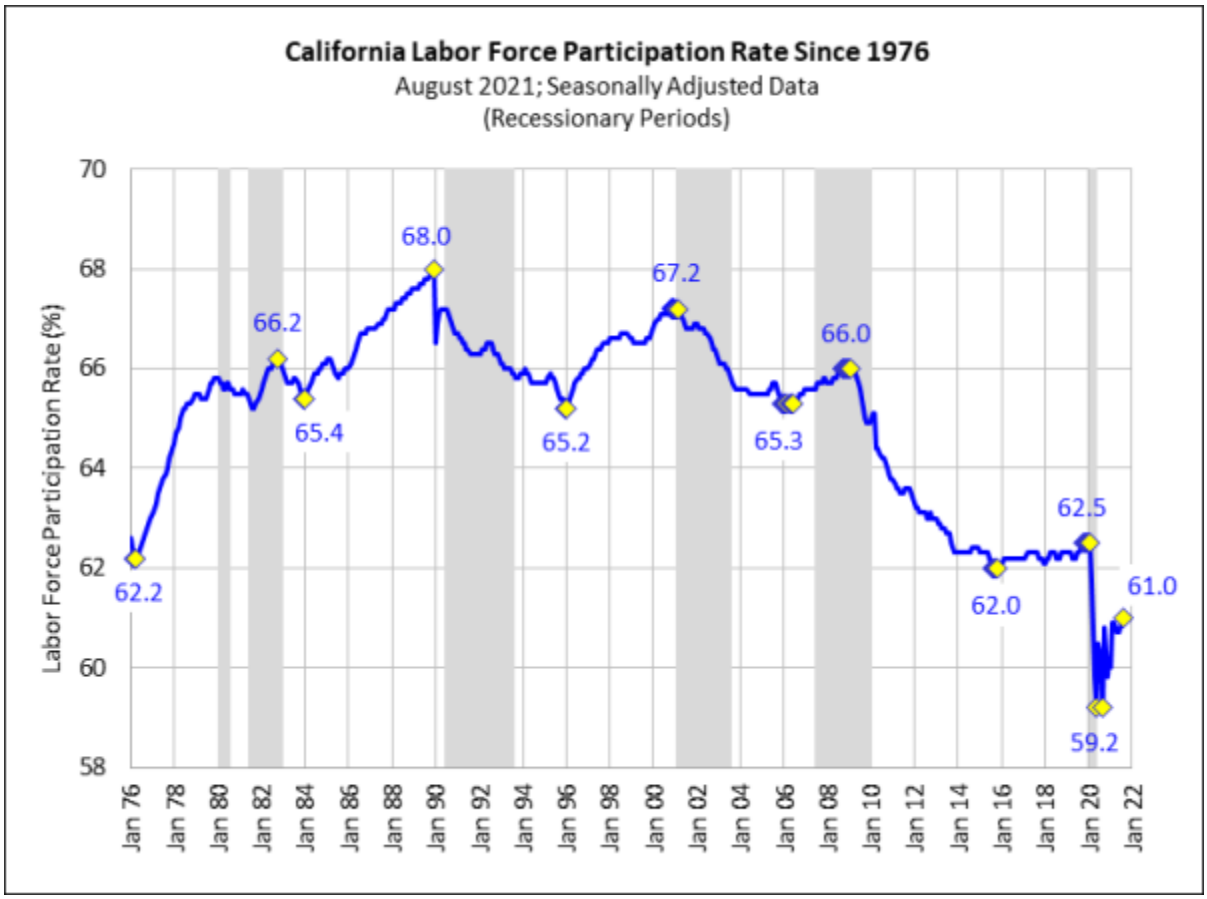
- Although expressing the U-3 and U-6 rates as a 12-month average of CPS data is necessary to control for seasonality and the statistical error associated with monthly CPS estimates as well as seasonality, this averaging blunts the effects of the COVID-19 pandemic. The less statistically reliable monthly CPS data suggest that the U-3 rate may have peaked around 16.6 percent in April 2020 and that the U-6 rate may have peaked around 26.4 percent in May 2020, before falling to around 7.3 percent and 12.5 percent, respectively, in August 2021.

Labor Force Participation in California

- The labor force participation rate (LFPR) is calculated as the number of persons in the labor force (those who are employed or unemployed but actively seeking work) divided by the working age population. Traditionally, labor force participation has tended to increase during times of economic expansion as increasing employment opportunities draw more people into the labor force and decrease during recessions as individuals with limited employment opportunities exit the labor force. However, labor force participation behaved differently over the course of the February 2010 – February 2020 expansion, decreasing long after the turnaround in overall economy and labor market. In fact, the California LFPR fell to what was then a record low of 62.0 in the middle of the expansion from August through November 2015 before stabilizing and remaining flat overall at historically low levels through the end of the expansion. The LFPR was 62.5 from October 2019 through February 2020.

- Labor force participation plunged from 62.5 in February 2020 to a new record low of 59.2 percent in May 2020, which was a decrease of 3.3 percentage points over just three months. California's LFPR gyrated up and down in the months immediately thereafter and again fell to 59.2 percent in September 2020, but increased thereafter. California's LFPR stood at 61.0 percent in August 2021. This was 1.8 percentage points higher than in September 2020, but still 1.5 percentage points lower than it was in February 2020.

Figure 8



Source: Employment Development Department.

<u>Demographic Characteristics of Labor Force Participation</u>

- The LFPR is calculated as the number of persons in the labor force (those who are employed or unemployed but actively seeking work) divided by the working age population. Traditionally, labor force participation has tended to increase during times of economic expansion as increasing employment opportunities draw more people into the labor force and decrease during recessions as individuals with limited employment opportunities exit the labor force.

- Multiple factors influence an individual's decision to participate in the labor force or not, most notably perceptions of how likely it is that one will find employment, school attendance, having a disability, having to care for house or family (children or elders), personal choice, and being retired. However, demographics, and particularly retirements among the large and aging baby boomer population, have exerted a key influence on overall labor force participation in recent years and will continue to do so over the years to come.

- Men had a higher labor force participation rate than women in August 2021, 67.4 percent to 54.5 percent. The 1.5 percentage point LFPR decrease among women between August 2012 and August 2021 was smaller than the 3.2 percentage point decrease among men.

- Labor force participation among prime working age cohorts, or Californians age 25 through 54, were consistently higher than those of other demographic groups. In August 2021, the 25 to 34, 35 to 44, and 45 to 54 age cohorts all had LFPRs above 78.0 percent. These LFPRs are not out of the ordinary because, generally speaking, economists find that workers within the prime working age cohorts represent the core of a state's workforce and includes its most economically productive demographic.

- Labor force participation among younger workers contrasts the trends seen amongst those of prime working age. The LFPRs of younger workers between the ages of 16 and 24 did not exceed 50.0 percent in August 2020 and August 2021. Upon closer inspection of younger workers, the data suggests that over the past two years, workers between the ages of 16 and 19 had a LFPR that remained below 30.0 percent. The LFPRs for workers between the ages of 20 and 24 were in the low to mid 60's in both August 2020 and August 2021, but were not at rates comparable to that of prime working age workers.

- Labor force participation drops off dramatically as people leave the workforce for a variety of reasons that include age and retirements. In August 2021, nearly one out of every five (19.4 percent) Californians age 65 and over participated in the civilian labor force. Although labor force participation decreases among workers aged 65 and over, this age cohort has had an increase between August 2020 and August 2021; 0.3 percentage point.

- Native-born Californians (60.9 percent) had a slightly higher rate of labor force participation than foreign-born Californians (60.6 percent) in August 2021 and experienced less of a dip in its LFPR between August 2012 and August 2021. Among

foreign-born workers, those that were not U.S. citizens (65.1 percent) had a LFPR 8.1 percentage points higher than the foreign-born who were naturalized U.S. citizens (57.0 percent) in August 2021.

- Among the state's racial and ethnic groups, Hispanics (63.7 percent) had the highest LFPR in August 2021, followed by Hawaiian/Pacific Islanders (61.6 percent), Whites (61.0 percent), American Indian/Alaskan Natives (60.7 percent), Blacks (59.6 percent), and Asian (59.4 percent) workers. Between August 2012 and August 2021, Hawaiian/Pacific Islanders experienced the largest decline in their respective LFPR, decreasing from 74.2 percent to 61.6 percent. In terms of racial and ethnic workers that experienced declines in their LFPRs, Hispanics experienced the smallest (2.1 percent) between August 2012 and August 2021. Over this period, the largest increase was experienced by Black workers whose LFPR increased from 57.7 percent in August 2012 to 59.6 percent in August 2021; a 1.9 percentage point increase.

- The U.S. Census Bureau's CPS data suggests that less educated groups participated in the labor force at a lower rate than groups with more education. In August 2021, the LFPR among Californians that held less than a high school diploma was 42.2 percent, 29.6 percentage points lower than the rate for those that held a bachelor's degree or higher (71.8 percent). Between August 2012 and August 2021, labor force participation fell across all of the educational attainment groups; with the largest decline among Californians with an associate degree (7.3). The smallest decrease was experienced by those with a bachelor's degree or higher, moving from 74.7 percent in August 2012 to 71.8 percent in August 2021.

- Less than one out of every five (18.1 percent) Californians with a disability participated in the civilian labor force in August 2021. Between August 2012 and August 2021, the LFPR for persons with a disability decreased from 19.7 percent to 18.1 percent. In both August 2020 and August 2021, the LFPR for persons with a disability has been below 20.0 percent. In addition, their LFPR remained at least 47.0 percentage points lower than that of persons that did not have a disability.

- Between August 2012 and August 2021, the LFPR among California veterans fell from 48.2 percent to 42.3 percent, a 5.9 percentage point drop in the rate. Over that same period of time, the rate for non-veterans declined by 2.8 percentage points; going from 65.3 percent to 62.5 percent. In both August 2020 and August 2021, the LFPR for veterans remained at least 19.0 percentage points lower than that of non-veterans.

Table 13

Labor Force Participation Rates by Demographic Group in California

(Labor Force as a Percent of Working Age Population, 12-Month Average of Current Population Survey Data)

no data	**August 2012**	**August 2020**	**August 2021**	**Net Percentage Point Change August 2012 to August 2021**	**Year-Over Percentage Point Change** **August 2020 to August 2021**
All Groups, Age 16 and Over	62.7%	61.2%	60.8%	-1.9	-0.4
no data	no data	no data	no data	no data	no data
Gender	no data	no data	no data	no data	no data
Male	70.6%	68.3%	67.4%	-3.2	-0.9
Female	56.0%	54.3%	54.5%	-1.5	0.2
no data	no data	no data	no data	no data	no data
Age	no data	no data	no data	no data	no data
16 to 24	49.5%	49.2%	48.5%	-1.0	-0.7
16 to 19	26.5%	28.1%	29.0%	2.5	0.9
20 to 24	67.1%	65.3%	63.9%	-3.2	-1.4
25 to 34	79.9%	79.2%	78.3%	-1.6	-0.9
35 to 44	80.8%	80.3%	80.1%	-0.7	-0.2
45 to 54	79.5%	78.9%	79.6%	0.1	0.7
55 to 64	64.6%	64.1%	63.9%	-0.7	-0.2
65 and over	18.7%	19.1%	19.4%	0.7	0.3
no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data
Native-Born	62.2%	61.3%	60.9%	-1.3	-0.4
Foreign-Born	65.3%	61.2%	60.6%	-4.8	-0.6
Foreign Born, Naturalized U.S. Citizen	64.1%	58.2%	57.0%	-7.1	-1.2
Foreign Born, Not a U.S. Citizen	66.5%	64.6%	65.1%	-1.4	0.5
no data	no data	no data	no data	no data	no data
Race	no data	no data	no data	no data	no data
White	63.7%	61.4%	61.0%	-2.6	-0.3
Black	57.7%	60.5%	59.6%	1.9	-0.9

no data	**August 2012**	**August 2020**	**August 2021**	**Net Percentage Point Change August 2012 to August 2021**	**Year-Over Percentage Point Change August 2020 to August 2021**
American Indian, Alaskan Native	60.2%	60.5%	60.7%	0.5	0.2
Asian	62.2%	60.0%	59.4%	-2.8	-0.5
Hawaiian/Pacific Islander	74.2%	77.0%	61.6%	-12.7	-15.5
One or more races	67.0%	64.3%	65.7%	-1.3	1.4
no data	no data	no data	no data	no data	no data
Ethnicity	no data	no data	no data	no data	no data
Latino/Hispanic	65.8%	64.2%	63.7%	-2.1	-0.5
Non-Hispanic	61.8%	59.6%	59.1%	-2.7	-0.5
no data	no data	no data	no data	no data	no data
Educational Attainment	no data	no data	no data	no data	no data
Less than a high school diploma	45.4%	41.7%	42.2%	-3.2	0.5
High school graduates, no college	61.0%	58.8%	57.1%	-3.9	-1.7
Some college, no degree	64.6%	59.4%	59.9%	-4.7	0.5
Associate degree	70.9%	63.4%	63.6%	-7.3	0.2
Bachelor's degree or higher	74.7%	72.1%	71.8%	-2.8	-0.3
no data	no data	no data	no data	no data	no data
Disability	no data	no data	no data	no data	no data
Has a Disability	19.7%	17.4%	18.1%	-1.6	0.7
Doesn't Have a Disability	68.0%	66.8%	65.4%	-2.6	-1.4
no data	no data	no data	no data	no data	no data
Served in Armed Forces	no data	no data	no data	no data	no data
Yes	48.2%	43.6%	42.3%	-5.9	-1.3

no data	**August 2012**	**August 2020**	**August 2021**	**Net Percentage Point Change August 2012 to August 2021**	**Year-Over Percentage Point Change** **August 2020 to August 2021**
No	65.3%	62.9%	62.5%	-2.8	-0.4

Source: U.S. Census Bureau; Employment Development Department.

Aging Baby Boomers

- The baby boom generation refers to the large number of people who were born immediately after the end of World War II in 1946 through 1964. In 2010, the age of baby boomers ranged from 46 to 64. As discussed previously, labor force participation rates in this age range tend to be comparatively high. In contrast, baby boomers ranged in age from 55 to 73 in 2019. As baby boomers age and enter their retirement years, they also enter into those age cohorts in which labor force participation rates plunge. As they age past 70, their labor force participation rates will plunge further.

- Baby boomers leaving the labor force appears to be dampening overall labor force participation in California.

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    - According to 12-month average wage data from the CPS, the population of Californians age 65 and older grew by a little over one million from October 2010 through October 2016, or by about 170,000 persons each year. Whereas the number of people age 65 and older in the labor force grew by nearly 350,000, or by 55,000 persons each year, the number of persons age 65 and older who did not participate in the labor force rose by nearly 700,000, or 116,000 per year.

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    - Over the three years ending in October 2019, the number of Californians age 65 and older grew by 640,000 persons, or by an average of over 210,000 persons each year. The number of older workers in the labor force grew by around 125,000, or 42,000 persons a year. In contrast, the ranks of people age 65 and older who were not in the labor force grew by 513,000, or an average of 171,000 persons a year.

- The CPS tracks the reasons why people do not participate in the labor force, including: whether or not a person was disabled, in school, taking care of house or family, in retirement, ill, or something other. Retirement is typically the most frequent reason for not being in the labor force, followed by taking care of house or family, attending school, and having a disability. Illness and something other are typically much less frequently cited.

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    - From October 2010 through October 2016, the number of Californians not in the labor force grew by a little over 1.5 million persons. The number of people in retirement grew by 820,000 persons, the large majority of whom were age 55 and older. The number of persons not in the labor force due to school grew by 289,000 persons, primarily among youths age 16 to 24. The number of persons taking care of house or family grew by 238,000, primarily among prime working age persons, and the number of disabled grew by 190,000, with the increase occurring across age groups.

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    - In contrast, the number of Californians not in the labor force grew by 233,000 over the October 2016-October 2019 period. The number of persons not in the labor force fell for every reason except retirement: in school decreased by 178,000, taking care of house or family by 117,000, and having a disability by 111,000. In sharp contrast, the number of persons not in the labor force due to retirement increased by 678,000, of whom nearly 600,000 was age 65 and older.

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    - The number of Californians not in the labor force increased by 34,000 persons over the year ending in October 2019. Once again, the number fell across all reason categories except in retirement, which increased by 187,000 persons. The number of those not in the labor force age 65 and older increased by 196,000 persons. A narrower age breakdown revealed that the number of Californians age 65 to 69 who were not in the labor force due to retirement fell by 51,000 persons over the year, but the number of those age 70 and older in retirement grew by 233,000 persons.

- The data for those not in the labor force suggest that California's strong economy did in fact draw more marginally attached workers into the labor force over the three years ending in October 2019, which is what one would expect in a labor market with record low unemployment and an ongoing 116-month employment expansion. However, the gathering wave of retiring baby boomers that averaged about 200,000 persons per year dampened overall labor force participation.

- The wave of retiring baby boomers will continue and possibly strengthen over the years to come. A rough estimate of how many baby boomers will leave the labor force from 2019 through 2024 can be derived by taking the October 2019 population of persons in the age 55 to 59, 60 to 64, 65 to 69, and 70 to 74 age cohorts, the full range of which captures the baby boom population, and multiplying that by the labor force participation rate of the next oldest five-year age cohort. For example, the population of 55 to 59 age cohort is multiplied by the LFPR of the 60 to 64 age cohort, the 60 to 64 population is multiplied by 65 to 69 LFPR, and so on. Applying this method yields an estimate that 2,666,000 baby boomers will participate in the labor market in five years' time compared to 3,924,000 in October 2019. In other words, around 1,250,000 baby boomers, or 250,000 persons per year, may be expected to leave the California labor

force over the next five years due to the normal interaction of aging and retirement on labor force participation alone.

- Although this estimate of how many baby boomers will exit the labor force over the next five years will be lower if the recent trend of increasing labor force participation among older workers continues, the sheer numbers of retiring baby boomers will dampen overall labor force participation in the years to come. At the same time, their departure from the labor force will also mean that establishments will have to replace many of their work functions, creating demand for replacement workers.

Demand and Growth Industries

- Demand industries within the economy are identifiable by determining which industries added the most jobs over a specified time period. However, it is inherently difficult to identify emerging industries under the existing North American Industry Classification System (NAICS). Essentially an industry must already have emerged to receive its own unique NAICS classification. As a result of this limitation, this section identifies the fastest growing industries in California as those industries that added jobs at a rate that was at least 11.4 percent, or twice that of total nonfarm employment, over the three years ending in October 2019. This three-year period was chosen to capture more recent trends within the labor market.

- Individual and family services, which includes in-home health supportive services jobs, was the California industry that added the most jobs from October 2016 through October 2019, followed by limited-service restaurants, or fast food, eating places. Both of these industries are characterized by comparatively low skill and low wage jobs. Although individual and family services was among California's fastest growing industries over the October 2016-October 2019 period, limited-service restaurants was not, but did grow at a faster rate than overall total nonfarm employment.

Table 14

California's Fastest Growing Industries October 2016 Through October 2019

(Not Seasonally Adjusted Data)

Industries That Gained the Most Jobs (Three-Year Change in Number)	Jobs Gained
Individual and Family Services	98,700
Limited-Service Restaurants	64,000
Other Information Services	38,400
Computer Systems Design and Related Services	37,100
Local Government Education	33,600
Employment Services	31,900
Warehousing and Storage	31,000
Outpatient Care Centers	27,700

Industries That Gained the Most Jobs (Three-Year Change in Number)	Jobs Gained
Building Equipment Contractors	26,600
Scientific Research and Development Services	23,800
Management of Companies and Enterprises	22,700
Building Foundation and Exterior Contractors	22,300
State Government Education	22,000
Residential Building Construction	20,900
Architectural, Engineering and Related Services	18,400
Investigation and Security Services	17,800
General Medical and Surgical Hospitals	17,200
Accommodation	17,000
General Merchandise Stores	16,900
Software Publishers	15,900
Services to Buildings and Dwellings	15,600
Building Finishing Contractors	14,500
Other Schools and Instruction	13,200
General Freight Trucking	13,100
Data Processing, Hosting and Related Services	13,000
Couriers and Messengers	12,900
Offices of Other Health Practitioners	12,800
Nonresidential Building Construction	12,700
Colleges, Universities and Professional Schools (Private)	12,200
State Government Excluding Education	11,700
Electronic Instrument Manufacturing	11,500
County Government	11,100
City Government	11,000
Special Food Services	10,900
Elementary and Secondary Schools (Private)	10,700
Activities Related to Real Estate	10,500
Electronic Computer Manufacturing	10,300

Industries That Gained the Most Jobs (Three-Year Change in Number)	Jobs Gained
Motor Vehicle Manufacturing	10,200
Accounting, Tax Preparation and Bookkeeping Services	10,100
Industries That Grew the Fastest (Three-Year Change in Percent)	Percent Change
Motor Vehicle Manufacturing	105.2%
Other Information Services	40.9%
Other Heavy and Civil Engineering Construction	32.9%
Data Processing, Hosting and Related Services	32.0%
Warehousing and Storage	25.7%
Software Publishers	23.1%
Industrial Machinery Manufacturing	20.6%
Other Schools and Instruction (Private)	20.0%
Residential Building Construction	20.0%
Building Foundation and Exterior Contractors	19.6%
Highway, Street, and Bridge Construction	19.5%
Scientific Research and Development Services	18.6%
Nonresidential Building Construction	17.3%
Electronic Computer Manufacturing	17.1%
Spectator Sports	16.0%
Couriers and Messengers	16.0%
Individual and Family Services	15.8%
General Freight Trucking	15.8%
Commercial and Industrial Machinery Rental and Leasing	15.4%
Special Food Services	15.0%
Offices of Other Health Practitioners	14.7%
Outpatient Care Centers	14.1%
Electronic Instrument Manufacturing	13.8%
Beverage and Tobacco Product Manufacturing	13.2%
Specialty (not Psychological or Substance Abuse) Hospitals	12.9%

Industries That Gained the Most Jobs (Three-Year Change in Number)	Jobs Gained
Social Advocacy Organizations	12.9%
Architectural and Structural Metals Manufacturing	12.7%
Computer Systems Design and Related Services	12.4%
Personal and Household Goods Repair	12.2%
Air Transportation	12.2%
Investigation and Security Services	12.2%
Building Equipment Contractors	11.9%
Waste Management and Remediation Services	11.8%
Hardware, Plumb and Heating Merchant Wholesalers	11.5%
Home Health Care Services	11.4%
Elementary and Secondary Schools (Private)	11.4%
No data	End of table

Source: Employment Development Department.

- Three of the California industries that added more than 20,000 jobs from October 2016 through October 2019 were high-skill and high-paying sectors with a high technology orientation, including: other information services, computer systems design and related services, and scientific research and development services. Architectural, engineering, and related services; software publishers; data processing, hosting and related services; electronic instrument manufacturing, and electronic computer manufacturing were among the other high technology industries that added more than 10,000 jobs over the period. These same high technology industries were among California's fastest growing industries over the October 2016-October 2019 period with the exception of architectural, engineering, and related services, which nevertheless grew at a faster pace than overall total nonfarm employment but not at over twice its pace.

- Several of California's existing demand industries were in the educational sector, including local government education (public schools); state government education; other schools and instruction; private colleges, universities, and professional schools; and private elementary and secondary schools. Of these industries, only other schools and instruction and elementary and secondary schools, both of which were in the private sector, were among California's fastest growing.

- Several of California's existing demand industries were in the health care sector, including: outpatient care centers; general medical and surgical hospitals; and offices of other health practitioners. Outpatient care centers, offices of health practitioners, specialty (not psychological or substance abuse) hospitals, and home health care

services were among California's fastest growing. The job growth rate in general medical and surgical hospitals lagged well below that of total nonfarm employment.

- The construction industry played a key role in California's employment expansion and construction workers were in strong demand over the October 2016-October 2019 period. The construction industries that added the most jobs and grew at the fastest pace included: building equipment contractors, building foundation and exterior contractors, residential building construction, and nonresidential building construction. In addition, other heavy and civil engineering construction grew at the third fastest pace among California industry sectors, and highway, street, and bridge construction was among the fastest growing industries. Building finishing contractors was also a strong demand industry and its 10.9 percent growth rate only narrowly missed the fastest growing list.

- Warehousing and storage, couriers and messengers, and general freight trucking were among the California industries that added the most jobs and grew at the fastest pace. This presumably reflected the continued rapid growth in e-commerce and online shopping.

- Several of the industries that added the most jobs over the October 2016-October 2019 period were in professional and business services' administrative and waste services subsector, which tends to have lower skill and paying jobs. Employment services, investigation and security services, and services to buildings and dwellings were among the industries that added the most jobs over the period. Investigation and security services, and waste management and remediation services were among California's fastest growing.

Union Affiliation by Industry Sector

- According to the BLS, 2.5 million California workers were members of a union in 2019. They comprised 15.2 percent of California's nearly 16.5 million wage and salary workers. In contrast, just 10.3 percent of wage and salary workers in the nation as a whole were members of a union in 2019[1]. California had the seventh highest rate of union affiliation among states in 2019.

- According to 12-month average CPS data, half (50.3 percent) of all union members in California worked in the public sector in October 2019. Government also had the highest rate of union affiliation, with over half (52.4 percent) of all government workers being members of a union. Nearly three-fifths (58.4 percent) of local government workers were members of a union, as were over half (51.3 percent) of state government workers, and three out of every 10 (30.8 percent) federal government workers.

[1]U.S. Bureau of Labor Statistics Union Member Summary

Table 15

Table 15
Union Membership by Major Industry Sector in California: October 2019

Industry Sector	Share of Workers
Total, All Industries	**15.2%**
Government, Total	**52.4%**
Local Government	58.4%
State Government	51.3%
Federal Government	30.8%
Private Sector, All Sectors	**8.8%**
Construction	18.2%
Transportation and Utilities	16.3%
Educational and Health Services	16.0%
Information	15.6%
Mining	8.8%
Manufacturing	7.6%
Wholesale and Retail Trade	7.6%
Leisure and Hospitality	4.8%
Other Services	3.9%
Agriculture, Forestry, Fishing, and Hunting	3.9%
Financial Activities	3.6%
Professional and Business Services	2.6%

(12-Month Average Current Population Survey; Percent of Workers in Sector Who Were Members of a Union)

Source: U.S. Census Bureau; Employment Development Department.

- In contrast, just one out of every 11 (8.8 percent) wage and salary workers in California's private sector was a member of a union. Construction (18.2 percent) was the major industry sector with the highest share of union members in its workforce, followed by transportation and utilities (16.3 percent), educational and health services (16.0 percent), and information (15.6 percent). Professional and business services had the lowest rate of union affiliation at 2.6 percent). A total of five major industry sectors in the private sector had union membership rates below five percent.

- A detailed comparison of the earnings of union and non-union members in major California industry sectors is beyond the scope of this report. That said, the BLS

estimated that at the national level, the median weekly earnings of full-time wage and salary union members was $1,095 in 2019, compared to $892 for non-union members. This was a difference of $203 a week, or 22.7 percent.[1]

Future Job Growth Projections

Industry Employment Projections

- Information about future labor market trends is critical for developing programs that help meet employers' needs and help residents secure a job, obtain a better job, and create an upward career pathway. Industry and occupational employment projections are provided for the nation by the DOL's BLS and translated into projections for the state and metro areas by the Employment Development Department's (EDD) Labor Market Information Division (LMID).

- The 2018-2028 employment projections do not include impacts of the COVID-19 pandemic and response efforts. Employment projections are developed using models based on historical data, which in this set of projections cover the period through 2018; all input data therefore precede the pandemic. Employment projections are long-term projections intended to capture structural change in the economy, not cyclical fluctuations. As such, they are not intended to capture the impacts of the recession that began 2020.

- Total industry employment in California, which includes self-employment, private household workers, farm employment, and nonfarm employment, is expected to reach 20,412,500 by 2028, an increase of 8.4 percent during the 10-year projection period. Total nonfarm employment is projected to add 1,491,500 jobs during the period. Seventy-nine percent of projected nonfarm growth is concentrated in four sectors: educational services (private), health care, and social assistance; professional and business services; leisure and hospitality; and transportation, warehousing, and utilities.

- The major industry sectors projected to have the largest job growth is educational services (private), health care, and social assistance, accounting for 35.1 percent of the projected nonfarm employment growth. The projected growth for the sector is 524,600 jobs during the 2018-2028 projection period (see Figure 9). The greatest concentration of job gains is projected to occur in the following educational services (private), health care, and social assistance subsectors:

-
    - Social assistance (193,400)
    - Ambulatory health care services (186,700)
    - Educational services (private) (56,000)

- The educational services (private), health care, and social assistance industry sector is also expected to be the fastest growing industry sector with an expected growth rate of

19.3 percent (see Figure 10). As the population grows and demographics change, the demand for workers in this sector will remain high.

- The top 25 industry groups that are expected to generate the most employment are projected to account for 1,177,600 jobs during the 2018-2028 projection period (see Table 16).

-
    - Six of the top 25 industry groups generating the most employment are within the health care and social assistance subsector. They are expected to generate 373,700 jobs during the 10-year projection period.

-
    - Individual and family services tops the list with a projected employment growth of 181,200 jobs during the 10-year projection period.

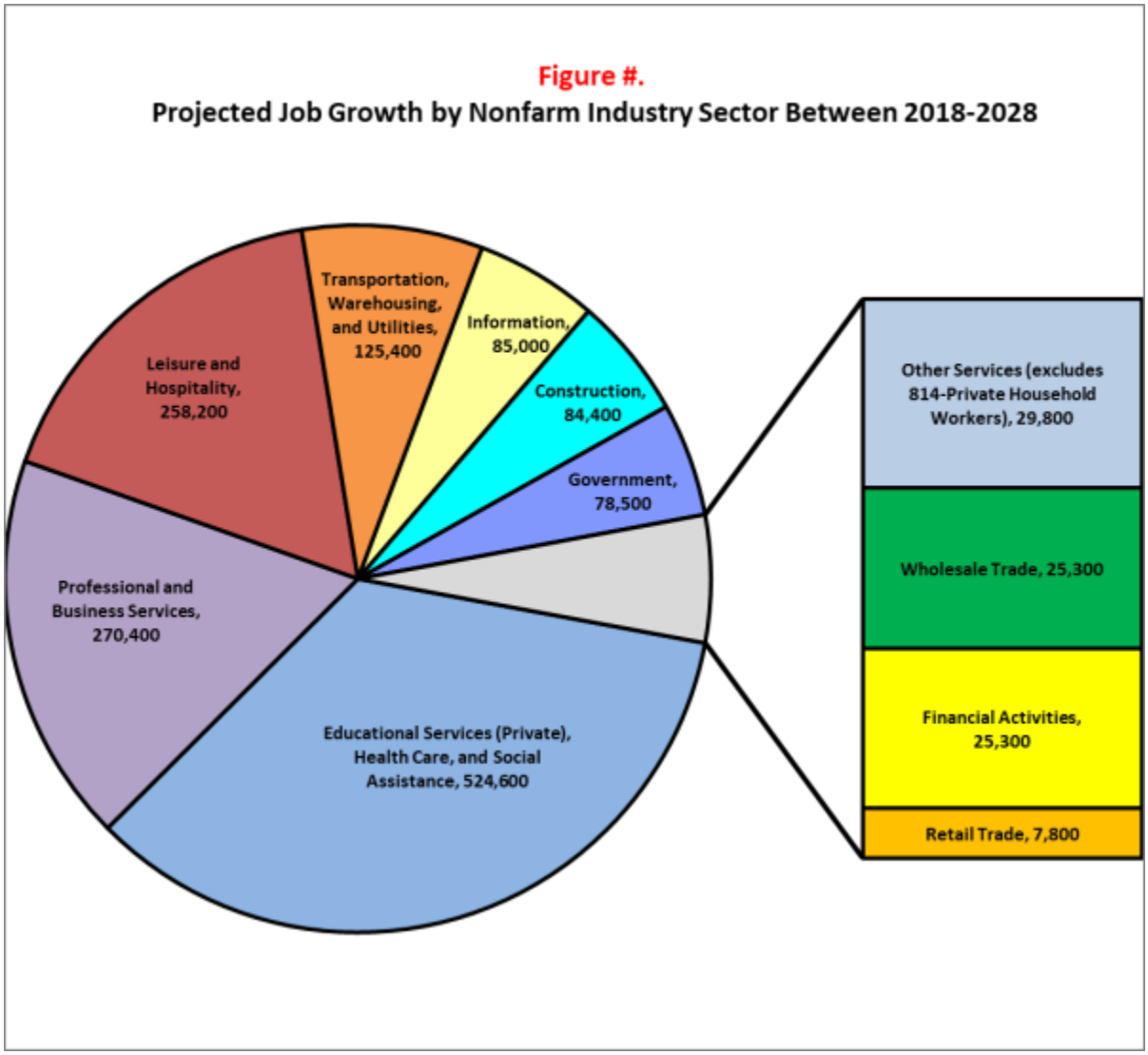
- The top 25 industry groups by percentage growth are expected to grow a combined 27.9 percent (746,300) during the 2018-2028 projection period (see Table 17).

-
    - Eight of the top 25 fastest growing industry groups are within the health care and social assistance subsector.

-
    - Warehousing and storage tops the list with an expected growth rate of 47.5 percent during the 10-year projection period.

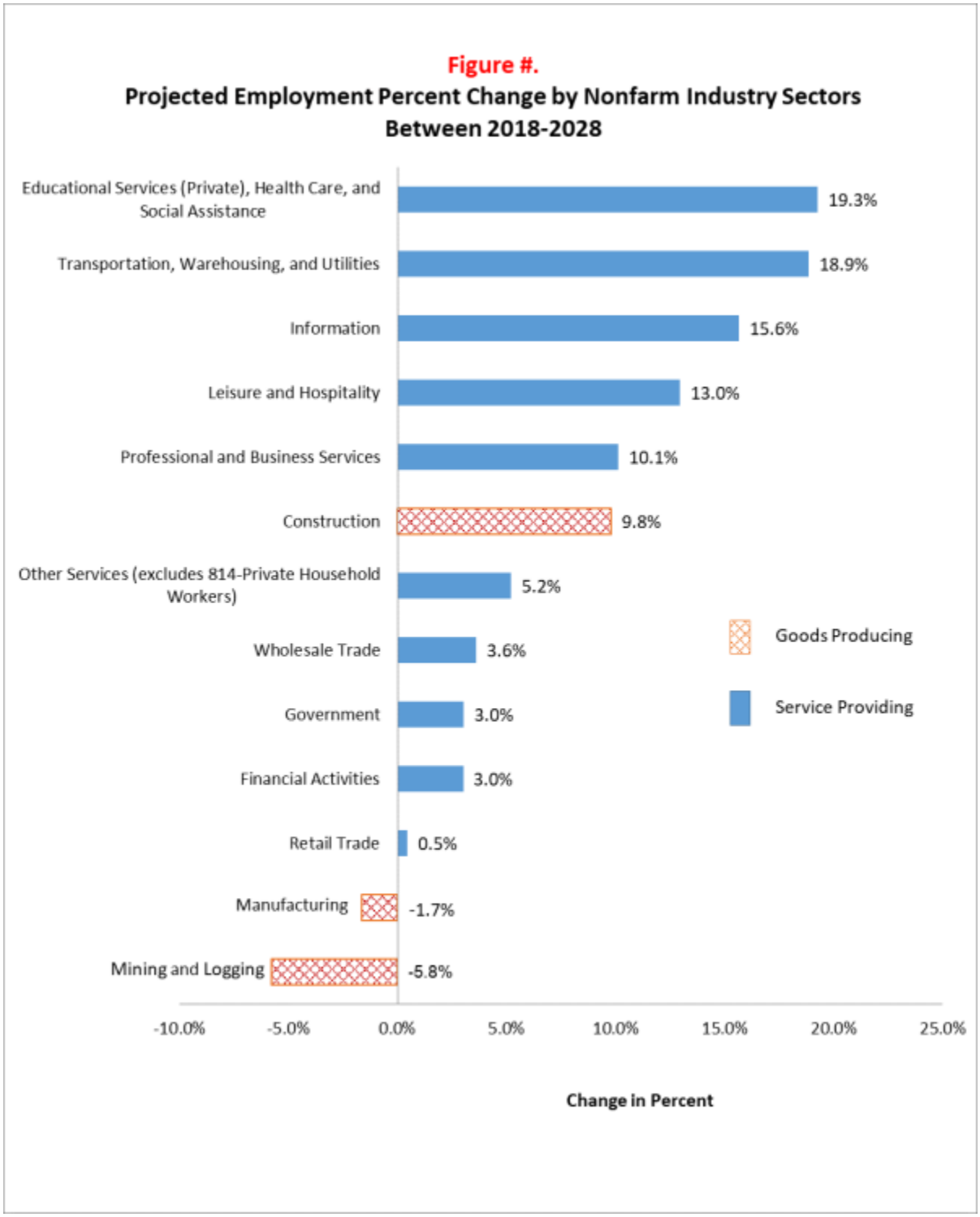
[1] A more detailed breakdown of median weekly earnings of full-time wage and salary workers by union affiliation in the United States in 2019 by industry and occupation may be found here: https://www.bls.gov/news.release/union2.t04.htm.

Figure 9



Source: Employment Development Department.

Figure 10



Source: Employment Development Department

Table 16

California Nonfarm Industry Groups with the Largest Projected Job Growth (2018-2028)

Industry Title	Projected 2018-2028 Job Growth
Individual and Family Services	181,200
Full-Service Restaurants	113,700

Industry Title	Projected 2018-2028 Job Growth
Limited-Service Eating Places	101,500
Outpatient Care Centers	75,700
Warehousing and Storage	69,300
Employment Services	59,300
Computer Systems Design and Related Services	52,500
Management, Scientific, and Technical Consulting Services	46,100
General Medical and Surgical Hospitals	41,200
General Merchandise Stores, including Warehouse Clubs and Supercenters	39,000
Scientific Research and Development Services	32,600
Software Publishers	32,300
Offices of Other Health Practitioners	29,900
Other Information Services	29,600
Couriers and Messengers	29,200
Services to Buildings and Dwellings	27,900
Local Government Education	25,700
Colleges, Universities, and Professional Schools	25,500
Building Equipment Contractors	25,200
Offices of Physicians	24,700
Grocery Stores	24,700
State Government Education	24,200
Electronic Shopping and Mail-Order Houses	22,800
Local Government Excluding Education	22,800
Home Health Care Services	21,000
Total	1,177,600

Source: Employment Development Department

Table 17

California Nonfarm Industry Groups with the Fastest Projected Job Growth (2018-2028)

Industry Title	Projected 2018-2028 Job Growth (Percent)	Projected 2018-2028 Job Growth
Warehousing and Storage	47.5%	69,300

Industry Title	Projected 2018-2028 Job Growth (Percent)	Projected 2018-2028 Job Growth
Electronic Shopping and Mail-Order Houses	43.4%	22,800
Data Processing, Hosting, and Related Services	41.9%	19,700
Motor Vehicle Manufacturing	36.5%	6,900
Software Publishers	36.4%	32,300
Specialty (except Psychiatric and Substance Abuse) Hospitals	36.2%	5,500
Outpatient Care Centers	35.5%	75,700
Couriers and Messengers	31.1%	29,200
Offices of Other Health Practitioners	30.5%	29,900
Other Information Services	27.8%	29,600
Individual and Family Services	26.9%	181,200
Medical and Diagnostic Laboratories	26.0%	9,400
Scientific Research and Development Services	23.5%	32,600
Home Health Care Services	23.1%	21,000
Other Schools and Instruction	22.9%	16,400
Management, Scientific, and Technical Consulting Services	22.6%	46,100
General Freight Trucking	22.6%	19,900
General Merchandise Stores, including Warehouse Clubs and Supercenters	21.8%	39,000
Other Ambulatory Health Care Services	21.6%	6,300
Beverage and Tobacco Product Manufacturing	20.8%	13,200
Museums, Historical Sites, and Similar Institutions	20.3%	4,000
Amusement Parks and Arcades	20.3%	9,700
Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly	18.8%	18,000

Industry Title	Projected 2018-2028 Job Growth (Percent)	Projected 2018-2028 Job Growth
Social Advocacy Organizations	18.6%	5,000
Industrial Machinery Manufacturing	17.6%	3,600
Total	No data	746,300

Source: Employment Development Department.

Middle-Skill Occupations Employment Projections

- Middle-skilled occupations are those that require more than a high school education but less than a four-year degree. The top 25 middle-skilled occupations (see Table 18) are expected to generate 1,695,090 total job openings during the 2018-2028 period. These openings include approximately 639,660 due to those exiting the labor force, 921,730 transferring to a different occupation and 133,700 due to job growth.

-
  - Bookkeeping, accounting, and auditing clerks top the list with 224,870 total job openings during the 2018-2028 period.

-
  - Seven of the top 25 occupations are in a health care related field and are expected to generate 476,950 total job openings during the ten-year period.

-
  - Median annual salaries range from $27,750 for manicurists and pedicurists to $84,178 for respiratory therapists.

-
  - Fourteen out of the top 25 middle-skill occupations are at or above the median hourly and median annual wage for all occupations in California. The median hourly wage for all occupations in California was $21.78 and the median annual wage for all occupations in California was $45,310 for the first quarter of 2020.

Table 18

California's Top 25 Middle-Skilled Occupations with the Most Job Openings (2018-2028)

For the table below, middle-skilled occupations are defined as occupations that require some college, a postsecondary non-degree award, or an associate's degree as defined by education levels provided by the BLS.

SOC Code *	Occupational Title	Exits [1]	Transfers [2]	Numeric Change [3]	Total Jobs [4]	Median Hourly Wages [5]	Median Annual Wages [5]
43-3031	Bookkeeping, Accounting, and Auditing Clerks	120,140	109,930	-5,200	224,870	$23.24	$48,334
53-3032	Heavy and Tractor-Trailer Truck Drivers	71,210	125,450	24,400	221,060	$23.35	$48,580
31-9092	Medical Assistants	44,540	81,110	24,900	150,550	$18.64	$38,772
25-9041	Teacher Assistants	67,230	66,250	7,000	140,480	N/A	N/A
31-1014	Nursing Assistants	43,790	47,490	10,900	102,180	N/A	N/A
39-5012	Hairdressers, Hairstylists, and Cosmetologists	41,490	43,680	4,400	89,570	$13.75	$28,605
31-9091	Dental Assistants	29,570	41,990	9,100	80,660	$20.46	$42,562
49-3023	Automotive Service Technicians and Mechanics	21,680	56,070	-700	77,050	$23.10	$48,055
29-2061	Licensed Practical and Licensed Vocational Nurses	27,970	34,820	11,600	74,390	$29.08	$60,480
25-2011	Preschool Teachers, Except Special Education	26,450	40,580	6,400	73,430	$17.19	$35,751
15-1151	Computer User Support Specialists	10,740	37,210	7,700	55,650	N/A	N/A
23-2011	Paralegals and Legal Assistants	13,020	28,250	5,000	46,270	$28.54	$59,356
39-5092	Manicurists and Pedicurists	18,360	19,390	2,200	39,950	$13.34	$27,750
49-9021	Heating, Air Conditioning, and Refrigeration Mechanics and Installers	9,510	24,540	4,100	38,150	$27.87	$57,951
43-4151	Order Clerks	13,690	23,960	100	37,750	$18.43	$38,317

SOC Code *	Occupational Title	Exits [1]	Transfers [2]	Numeric Change [3]	Total Jobs [4]	Median Hourly Wages [5]	Median Annual Wages [5]
31-9011	Massage Therapists	16,110	13,880	3,900	33,890	$17.37	$36,114
49-2022	Telecommunications Equipment Installers and Repairers, Except Line Installers	8,330	24,600	900	33,830	$29.97	$62,336
27-2011	Actors	10,300	22,080	700	33,080	$23.25	N/A
17-3023	Electrical and Electronics Engineering Technicians	8,620	16,780	1,500	26,900	$33.35	$69,377
33-2011	Firefighters	6,210	17,230	1,300	24,740	$38.29	$79,645
27-4011	Audio and Video Equipment Technicians	5,710	12,750	2,400	20,860	$25.43	$52,901
31-9097	Phlebotomists	5,710	10,480	3,600	19,790	$22.11	$45,982
25-4031	Library Technicians	10,770	7,780	-100	18,450	$22.38	$46,547
15-1134	Web Developers	3,000	10,350	2,700	16,050	N/A	N/A
29-1126	Respiratory Therapists	5,510	5,080	4,900	15,490	$40.47	$84,178
No data	Total	639,660	921,730	133,700	1,695,090	**No data**	**No data**

Source: Employment Development Department.

Notes:

Excludes "All Other" categories. These are residual codes that do not represent a detailed occupation.

*The Standard Occupational Classification (SOC) system is used by government agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data.

[1] Exits are the projected number of workers leaving an occupation and exiting the labor force entirely. Labor force exits are more common at older ages as workers retire, but can occur at any age. Labor force exits are not necessarily permanent exits from the labor force; for example, some workers exit the labor force to pursue additional education with the intention of returning to the labor force. They do represent permanent separations from an occupation.

[2] Transfers are the projected number of workers leaving an occupation and transferring to a different occupation. Transfers represent permanent separations from an occupation, not temporary movements where the worker is expected to return to the same occupation in the future.

[3] Numeric change measures the projected number of job gains or losses in an occupation for the projection period.

[4] Total job openings are the sum of exits, transfers, and numeric change.

[5] Median hourly and annual wages are the estimated 50th percentile of the distribution of wages; 50 percent of workers in an occupation earn wages below, and 50 percent earn wages above the median wage. The wages are from 2020 first quarter and do not include self-employed or unpaid family workers. An estimate could not be provided for wages listed as N/A.

Economic Inequality[1]

Demographic Inequality

- Unemployment rates by demographic group were discussed previously to demonstrate how labor market conditions in California improved across all demographic groups over the course of the employment expansion. Not only did the unemployment rates of all demographic groups fall substantially, but the gap between demographic groups with the highest and lowest unemployment rates also shrank considerably. At the outset of the expansion in October 2010, teens had the highest unemployment rate at 34.4 percent and persons age 25 and older who had a bachelor's degree or higher had the lowest unemployment rate at 6.2 percent, which was a difference of 28.2 percentage points. In October 2019, after nine years of expansion, the teen unemployment rate was still the highest at 14.7 percent and the 2.6 percent unemployment rate among persons with a bachelor's degree or higher was still the lowest. However, the gap between the two rates had narrowed to 12.1 percentage points.

- Despite this improvement, some demographic groups faced larger obstacles in the labor market than others in October 2019. This is seen in comparing the October 2019 unemployment rates of major demographic groups in California.

-
    - According to 12-month average data from the CPS, California's overall unemployment rate was 4.1 percent in October 2019.

-
    - The unemployment rate among youths age 16 to 24 was more than double the overall rate at 9.1 percent. The unemployment rate among teens (14.7 percent) was higher than that among youths age 20 to 24 (7.4 percent), but the rates of both groups were comparatively high.

-
    - The unemployment rate among Californians with disabilities was also more than double the overall rate at 8.9 percent.

-
    - Two major demographic groups had unemployment rates that were 1.5 percentage points or higher than the overall rate: Californians 25 and older who had not obtained a high school diploma (6.0 percent) and African Americans (5.6 percent).

-
    - Latinos (4.7 percent) and foreign-born non-citizens (4.7 percent) were the other major demographic groups with rates that were higher than the overall unemployment rate.

- The demographic groups with the highest unemployment rates in October 2019 are the groups who will be most vulnerable should economic conditions in California change and the economy tips into a recession. Based on an analysis of unemployment rates over the October 2010-October 2019 period, younger workers, and particularly youths, would likely fare worse than older workers if a recession were to occur, persons with disabilities would likely fare worse than those without disabilities, less well educated groups would likely fare worse than more educated groups, African Americans and Latinos would likely fare worse than Whites and Asians, and foreign-born noncitizens would likely fare worse than native born Americans and naturalized U.S. citizens.

<u>Long-Term Unemployment</u>

- According to 12-month average CPS data, just over one million of California's 2.2 million unemployed persons had been unemployed for 27 weeks or more in October 2010. The number of long-term unemployed fell by 828,000 persons to 189,000 from October 2010 through October 2019. The share of the long-term unemployed in total unemployment fell from 46.0 percent to 23.9 percent over the same period.

- Although small sample issues complicate any analysis of the long-term unemployed in October 2019, younger workers and less well-educated workers appear to have comprised a disproportionately high share of total long-term unemployment. Over two-fifths (44.6 percent) of long-term unemployed Californians was either under the age 35 or had attained a high school diploma or less (43.3 percent). This suggest that inexperienced persons with low educational attainment and undifferentiated skills face particularly large obstacles in the labor market.

<u>Industry Wages</u>

- Average monthly employment and average weekly pay data for California industries for the first quarter of 2019 are available from the Quarterly Census of Employment and Wages (QCEW). This section compares average weekly pay in major industry sectors and subsectors, or two-digit NAICS industries. The health care and social assistance subsector has been further subdivided into health care and social assistance components because of their large discrepancy in pay. High, middle, and low paying jobs are loosely defined with respect to the average weekly pay total for all industries and what seem to be natural break points in the data. Subsector data are provided because

major industry sectors such as professional and business services and educational and health services have a mix of high, middle, and low paying jobs.

Table 19

Average Weekly Pay in California Industry Sectors and Subsectors: First Quarter of 2019

(Quarterly Census of Employment and Wages Data)

Major Industry Sector	Average Weekly Pay
Total, all industries	**$1,405**
Highest Pay	No data
Information	$3,847
Mining	$2,606
Financial Activities	$2,496
Manufacturing	$1,930
Professional and Business Services	$1,905
Middle Pay	No data
Government	$1,378
Construction	$1,346
Trade, Transportation, and Utilities	$1,094
Education and Health Services	$1,014
Lowest Pay	No data
Other Services	$798
Agriculture, Forestry, Fishing & Hunting	$630
Leisure and Hospitality	$565
Industry Subsectors	Average Weekly Pay
Highest Pay	No data
Management of Companies and Enterprises	$3,066
Finance and Insurance	$3,062
Utilities	$2,943
Professional, Scientific, and Technical Services	$2,512
Middle Pay	No data
Wholesale Trade	$1,614
State Government	$1,581
Federal Government	$1,542

Major Industry Sector	Average Weekly Pay
Real Estate and Rental and Leasing	$1,473
Transportation and Warehousing	$1,329
Health Care	$1,326
Local Government	$1,304
Lowest Pay	No data
Educational Services	$1,037
Arts, Entertainment, and Recreation	$924
Administrative and Support and Waste Services	$915
Retail Trade	$725
Accommodation and Food Services	$498
Social Assistance	$396

Source: Employment Development Department.

- Information ($3,847) had the highest average weekly pay among major industry sectors in California in the first quarter of 2019, followed by mining ($2,606), financial activities ($2,496), manufacturing ($1,930), and professional and business services ($1,905).

-
    - In the professional and business services sector, the management of companies and enterprises and professional, scientific, and technical services subsectors were among California's highest paying sectors and subsectors. However, the administrative and support and waste services subsector was among the lowest paying sectors and subsectors. This subsector accounted for two-fifths (39.4 percent) of all professional and business services jobs.

-
    - In the financial activities sector, the finance and insurance subsector was among California's highest paying sectors and subsectors, but the real estate and rental and leasing sector was among the middle-paying industry sectors and subsectors.

- The government, construction, trade, transportation, and utilities, and educational and health services sectors were classified as middle pay range industry sectors. However, there were differences in pay in some subsectors.

-

- In the trade, transportation, and utilities sector, utilities had high average pay, wholesale trade and transportation and warehousing fell in the middle average pay range, and retail trade fell in the low range.

-
  - In the educational and health services sector, health care fell within the middle average pay range sectors and subsectors, and educational services and social assistance fell within the low paying sectors. Educational services had the highest average weekly pay of all low paying sectors and subsectors.

- Other services, agriculture, forestry, fishing, and hunting, and leisure and hospitality had the lowest average weekly pay among California sectors in the first quarter of 2019.

- According to first quarter of 2019 employment totals from the QCEW, 4.1 million of California's nearly 17.4 million jobs were in high paying industry sectors and subsectors. These high paying sectors accounted for less than one-quarter (23.4 percent) of all California's jobs. Over three-quarters (76.6 percent) of all California's jobs were in middle and low paying industry sectors and subsectors.

- The number of middle and low paying jobs was roughly equal in the first quarter of 2019. Employment totaled 6.7 million jobs in low average pay sectors and subsectors, and 6.5 million jobs in middle pay ones. Jobs in low-paying and middle-paying industry sectors and subsectors accounted for 38.8 and 37.8 percent, respectively, of total all industry jobs.

<u>Median Wages by Major Occupational Group</u>

- Occupational wage data are available for the first quarter of 2019 from the Occupational Employment Statistics (OES) Survey, as are occupational employment estimates from May 2018. According to the OES, the median hourly wage for all occupations in California was $20.86 in the first quarter of 2019. Thirteen of California's 22 major occupational groupings had median hourly wages above the median and nine had median hourly wages that were below it.

- Employment in those occupational groups with hourly wages above the overall median wage totaled 7.3 million jobs in May 2018, compared to 9.7 million jobs in occupational groups with hourly wages that were below it. Expressed differently, 57.0 percent of Californians were employed in occupational groups that paid less than the overall median wage in the first quarter of 2019 compared to 43.0 percent who were employed in occupational groups that paid more.

- Differences in occupational wage levels were even more pronounced if one accounts for the seven major occupational groups that had median hourly wages above $36 an hour, or more than $15 an hour above the overall median hourly wage, in the first quarter of 2019. They were: management occupations; computer and mathematical occupations; legal occupations; architecture and engineering occupations; healthcare practitioners

and technical occupations; life, physical, and social science occupations; and business and financial operations occupations. Employment in these seven occupational groups totaled 4.1 million jobs in May 2018, accounting for just under one-quarter (24.2 percent) of total employment.

Table 20

Median Hourly Wages By Occupational Group in California:
First Quarter of 2019

(Occupational Employment Statistics Survey Results)

Major Occupational Group	Median Hourly Wage
Total, all occupations	**$20.86**
Wages Above the Median	No data
Management Occupations	$58.54
Computer and Mathematical Occupations	$50.53
Legal Occupations	$49.59
Architecture and Engineering Occupations	$46.65
Healthcare Practitioners and Technical Occupations	$43.35
Life, Physical, and Social Science Occupations	$38.84
Business and Financial Operations Occupations	$36.31
Arts, Design, Entertainment, Sports, and Media Occupations	$28.88
Education, Training, and Library Occupations	$27.59
Construction and Extraction Occupations	$27.02
Community and Social Services Occupations	$25.20
Installation, Maintenance, and Repair Occupations	$24.51
Protective Service Occupations	$23.22
Wages Below the Median	No data
Office and Administrative Support Occupations	$19.38
Healthcare Support Occupations	$17.61
Production Occupations	$16.82
Transportation and Material Moving Occupations	$16.32
Sales and Related Occupations	$15.48
Building and Grounds Cleaning and Maintenance Occupations	$15.22

Major Occupational Group	Median Hourly Wage
Food Preparation and Serving-Related Occupations	$12.60
Personal Care and Service Occupations	$12.49
Farming, Fishing, and Forestry Occupations	$11.95

Source: Employment Development Department.

[1] The data and analysis in this section of this report have not been updated. Although the COVID-19 pandemic disrupted California's labor market and likely exacerbated inequalities within it, it remains unknown how lasting its effects will be because it is still ongoing. Equally important, the magnitude of the disruptions that followed the pandemic outbreak were so large that they threaten to skew many labor market relationships observed in the pre-pandemic data. Most economists assume that as disruptive as the effects of the pandemic were or have been, they will prove to be temporary and that labor market conditions will return to normal, or at least something more resembling normal, after the pandemic is brought under control or burns itself out. Until more data become available over time, the pre-COVID environment in October 2019 remains an accurate depiction of the fundamental inequalities that exist within California's labor market.

- In contrast, eight major occupational groups had median hourly wages of less than $18 an hour[1], including: healthcare support occupations; production occupations; transportation and material moving occupations; sales and related occupations; building and grounds cleaning and maintenance occupations; food preparation and serving-related occupations; personal care and service occupations; and farming, fishing, and forestry occupations. Employment in these eight major occupational groups totaled nearly 7.3 million jobs in May 2018, accounting for over two-fifths (42.6 percent) of total employment.

Regional Inequalities: Coastal and Inland Areas of California

- California's labor market is characterized by regional inequalities, and more particularly, coastal and inland areas of the state. Coastal areas are narrowly defined as those California counties that border the Pacific Ocean or San Francisco Bay, and inland areas include those counties that do not. As such, coastal areas include large metropolitan areas such as San Diego, Los Angeles, San Jose, San Francisco, and Oakland. The Sacramento and Inland Empire metropolitan areas are included among inland areas even though their economies are interconnected with and share many of the same characteristics of the large, urban coastal areas of the state.

- According to annual average data from the QCEW, 12.4 million, or nearly three-quarters (73.3 percent), of California's nearly 17 million wage and salary jobs were in coastal areas of California in 2018. Employment in inland areas totaled 3.7 million jobs, of which close to two-fifths were in the Riverside-San Bernardino and Sacramento metropolitan areas combined.

- Inland areas experienced slightly faster job growth than coastal areas from 2010 through 2018. Whereas wage and salary jobs in inland areas grew by 21.7 percent over this eight-year period, they grew by 19.5 percent in coastal areas. Inland areas excluding the Riverside-San Bernardino and Sacramento metropolitan areas grew at a slightly slower rate of 20.2 percent.

- Annual average pay levels were much higher in coastal areas than inland areas of the state over the 2010 through 2018 period. The average annual pay in coastal areas was $75,100 in 2018, compared to $48,400 in inland areas. The pay discrepancy was even wider in inland areas if the Riverside-San Bernardino and Sacramento metropolitan areas are omitted from inland areas. Average annual pay in inland areas excluding these two areas was just $33,100 in 2018. That said, the cost of living, and more particularly housing and lodging, tend to be much higher in coastal areas than inland areas of the state.

- Wages and salaries grew at a faster rate in coastal areas than inland areas over the 2010-2018 period. Average annual pay increased by $18,000, or 31.5 percent, in coastal areas from 2010 through 2018, compared to $7,700, or 18.8 percent, in all inland areas, and $4,800, or 17.2 percent, in inland areas excluding the Sacramento and Riverside-San Bernardino metropolitan areas.

Comparative Unemployment by Industry Sector and Occupation

- According to data from the U.S. Census Bureau's CPS, in October 2010, when unemployment was near its peak, unemployment rates ranged from a high of 23.8 percent in construction to a low of 3.8 percent in public administration. This was a range of 20.0 percentage points. Unemployment rates improved across industry sectors over the October 2010-2019 period. In October 2019, unemployment rates ranged from a high of 13.5 percent in agriculture, forestry, and hunting to a low of 2.0 percent in financial activities. This was a range of 11.5 percentage points. The range was even narrower in nonfarm industries, from a high of 5.1 percent in mining to a low of 2.0 percent in financial activities, a difference of just 3.1 percentage points.

- In October 2010, seven industry sectors had unemployment rates higher than 10.0 percent. In contrast, the very seasonal agriculture, forestry, and hunting sector (13.5 percent) was the only industry sector that had an unemployment rate of over 10.0 percent in October 2019. Four nonfarm industry sectors had unemployment rates of 4.0 percent or higher: mining (5.1 percent); wholesale and retail trade (4.4 percent); construction (4.3 percent); and manufacturing (4.0 percent). Five nonfarm sectors had unemployment rates below 3.0 percent: other services (2.8 percent); public administration (2.7 percent); educational and health care services (2.6 percent); information (2.5 percent); and financial activities (2.0 percent).

- A comparison of October 2010 and October 2019 industry sector unemployment rates suggest that workers in goods producing industry sectors such as construction and manufacturing or consumer-spending sensitive industries such as leisure and hospitality and wholesale and retail trade are among the most vulnerable in times of recession.

- In October 2010, occupational unemployment rates ranged from a high of 27.0 percent in construction and extraction occupations to a low of 6.7 percent in professional and related occupations. This was a range of 20.3 percentage points. Unemployment rates improved across occupational groups over the October 2010-2019 period. In October 2019, occupational unemployment rates in the nonfarm economy ranged from a high of

5.6 percent in construction and extraction occupations to a low of 2.0 percent in management and business, and financial operations occupations, which was a difference of 3.6 percentage points.

- In October 2010, eight of the ten major occupational groups had unemployment rates higher than 10.0 percent. In contrast, farming, fishing, and forestry occupations (17.9 percent), which tend to be highly seasonal in nature, was the only occupational group with an unemployment rate over 10.0 percent in October 2019. Four additional occupational groups had unemployment rates of 4.0 percent or more: construction and extraction occupations (5.6 percent); transportation and material moving occupations (5.2 percent); production occupations (4.1 percent); and sales and related occupations (4.0 percent). In contrast, three occupational groups had unemployment rates below 3.0 percent: installation, maintenance, and repair occupations (2.9 percent); professional and related occupations (2.7 percent); and management, business, and financial occupations (2.0 percent). Generally speaking, unemployment rates were higher in lower-skill occupations and lower in higher-skill ones.

Educational Attainment and the Labor Market

- Educational attainment plays a key role in determining labor market outcomes. Unemployment rates tend to be strongly correlated with educational attainment. As a rule, groups with lower educational attainment are more susceptible to unemployment than are more highly educated groups. Unemployment rates tend to get progressively higher the lower one's educational attainment, and progressively lower the higher one's educational attainment. Those with lower educational attainment tend to cluster in low-wage and low-skill industry sectors and more highly educated persons cluster in higher paying and high-skill industries and occupations.

- In October 2010, when unemployment was near its peak, the highest unemployment rate of Californians age 25 and older[2] was among those who had not completed high school at 15.9 percent, followed by 13.0 percent among high school graduates who did not attend college, and 12.4 percent among those who had attended some college but had not earned a degree. In contrast, the unemployment rate among those with an associate degree was 8.5 percent and 6.2 percent among those who had a bachelor's degree or higher.

- The range between the educational attainment groups with the highest and lowest unemployment rates was 9.7 percentage points in October 2010. The unemployment rates of all educational attainment groups fell substantially over the course of the expansion to the point where just 3.4 percentage points separated the highest and lowest unemployment rates of the major educational attainment groups in October 2019. Nevertheless, those with less educational attainment experienced progressively higher unemployment rates than those with more educational attainment in October 2019. The unemployment rates of those who did not complete high school and those who were high school graduates only were 6.0 and 3.9 percent, respectively, in October 2019. In contrast, the unemployment rates of those with an associate degree and those who had obtained a bachelor's degree or higher were 3.1 and 2.6 percent, respectively.

- About one-third (32.8 percent) of working Californians over the age of 25 had either not completed high school or had a high school diploma only in October 2019. These workers were clustered in six industry sectors. Wholesale and retail trade (14.1 percent) employed the largest share of workers with a high school diploma or less, followed by construction (13.3 percent), educational and health services (11.0 percent), professional and business services (10.9 percent), leisure and hospitality (10.9 percent), and manufacturing (10.8 percent). As a group, these six industry sectors employed 71.0 percent of all workers who had a high school diploma or less.

- Retail trade employed four-fifths of the workers with a high school diploma or less in the wholesale and retail trade sector. In the professional and business services sector, three- quarters of the workers with a high school diploma or less were employed in the low-wage administrative and support and waste services subsector. Although agricultural, forestry, fishing, and hunting employed just 5.6 percent of those with a high school diploma or less in October 2019, nearly four-fifths (78.3 percent) of the workers in this sector had a high school diploma or less. About half of the workers in this sector over the age of 25 had not completed high school.

- Nearly half (49.2 percent) of California workers age 25 and over with an associate degree or higher worked in either the professional and business services or educational and health care services sectors. The high-wage financial activities and information sectors employed an additional 11.8 percent of all workers with an associate degree or higher. Four-fifths of the workers with an associate degree or higher in the professional and business services sector were employed in the high-wage professional, scientific, and technical services sector. Within educational and health services, 46.2 percent of workers with an associate degree or higher worked in the health care industries, and 44.6 percent worked in educational services.

Outlook

- California's record-long employment turned 10 years old in February 2020 and its economy and labor market were operating at full employment. Almost overnight, the COVID-19 pandemic outbreak upended everything and severely disrupted California's labor market. The state experienced an unprecedented loss of over 2.7 million nonfarm jobs over just a two-month period from February 2020 through April 2020 after all but essential services within the labor market were shut down. California's unemployment rate rose from a near record low to a record shattering high of 16.0 percent, and the number of unemployed more than tripled to near 3 million over the same period.

- By the same token, California's labor market exhibited a remarkable ability to recover and do so rapidly after the pandemic shutdown was lifted and other pandemic restrictions were eased. As of August 2021, California had safely re-opened its economy and was enjoying a robust jobs recovery. Unemployment was well below its pandemic peak and trending downwards. However, the state still had some distance to go to recover the jobs it lost during the pandemic-induced recession and the pandemic itself continued to affect labor market activities and behaviors.

- The outlook for California's labor market, and indeed the nation's, remains cloudy and uncertain and will remain so until the pandemic is brought under control both within

the state and globally. Quarterly economic forecasts by the University of California, Los Angeles (UCLA) Anderson School Forecast in 2021-to-date aptly summarize the current situation. In its first and second quarter economic forecasts for 2021, UCLA anticipated a robust recovery from the pandemic-induced recession that began in March 2020. These forecasts, buoyed by the rapid roll out of effective COVID-19 vaccines to the general public, assumed that the COVID-19 pandemic would be brought under control by late summer or fall 2021.

- However, these forecasts also warned that recoveries are not always smooth. In their own words, this caveat proved to be "prescient." In their third quarter 2021 economic forecast, the UCLA forecast team reported that hopes for blockbuster economic growth had been dampened by the spread of the Delta variant and stagnating vaccination rates in both California and the nation, which in turn led to consumer caution and supply constraints. As such, their third quarter 2021 forecast anticipated only solid but unspectacular growth and recovery through 2023.

Workforce Analysis: Demographics and Target Populations

This section provides an overview of California's population, and more particularly its working age population, and the target populations that the WIOA is intended to serve.

<u>Total Population</u>

- In August 2021, women made up (50.6 percent) of the state's population and men made up 49.4 percent. Women also accounted for 50 percent or more of the population within the following age cohorts: 65 and over (54.8 percent), 55 to 64 (51.3 percent), 45 to 54 (51.0 percent), and 35 to 44 (50.0 percent).

- Whites were the largest racial group within the Golden State, accounting for 72.1 percent or 28.0 million members of the State's population in August 2021. Asians (15.6 percent) were the second largest racial group, followed by Blacks (6.3 percent), and persons that identify with one or more races (3.6 percent). American Indian and Alaskan Native persons made up 1.6 percent of the State's population and Hawaiian/Pacific Islanders made up less than 1 percent (0.6 percent).

- In terms of sheer numbers, among White residents, over 4 million were either 65 years and over or between the ages of 25 and 34 in August 2021. Within the State's Asian population, over 1 million persons were 65 years and over. In addition, over 900,000 Asians were either 0 to 15 (988,800 persons) or 25 to 34 (964,400 persons). For Black residents within the State, the largest numbers were among the age cohorts 0 to 15 (485,800 persons) and 25 to 34 (412,000 persons) years of age.

- In August 2021, four out of every ten (40.1 percent) or 15.5 million Californians identified as Hispanic and the largest shares of Hispanics were concentrated among the younger age cohorts. Hispanics made up over half (52.1 percent) of all Californians age 0 to 15, nearly half (49.6 percent) of young people between the ages of 16 and 24, and over 43 percent (43.1 percent) of Californians between the ages of 25 and 34.

- California's foreign-born population stood at 9.6 million in August 2021 and it was comprised of 5.3 million persons that were U.S. citizens by naturalization and 4.3 million persons that were not U.S. citizens. Nearly one out of every four Californians was foreign-born in August 2021. Among the foreign-born, the largest age cohorts were as follows: 45 to 54 (2.03 million), 65 and over (1.96 million), and 35 to 44 (1.90 million).

Table 21

Demographic Characteristics of Californians by Age

(August 2021, 12-Month Average of Current Population Survey Data)

	All Ages Number	**0 to 15** Number	**16 to 24** Number	**25 to 34** Number	**35 to 44** Number	**45 to 54** Number	**55 to 64** Number	**65 and over** Number
All Demographic Groups*	**38,886,000**	**7,731,000**	**4,571,200**	**5,776,800**	**5,232,300**	**4,776,300**	**4,721,200**	**6,077,200**
no data	no data	no data	no data	no data	no data	no data	no data	no data
Gender	no data	no data	no data	no data	no data	no data	no data	no data
Male	19,197,600	3,952,000	2,333,900	2,912,100	2,615,000	2,340,000	2,298,200	2,746,400
Female	19,688,400	3,779,000	2,237,300	2,864,700	2,617,300	2,436,300	2,423,000	3,330,800
no data	no data	no data	no data	no data	no data	no data	no data	no data
Race	no data	no data	no data	no data	no data	no data	no data	no data
White	28,030,900	5,544,500	3,260,300	4,023,700	3,700,500	3,483,200	3,498,700	4,520,000
Black	2,467,600	485,800	282,500	412,000	336,900	320,300	295,300	334,800
American Indian, Alaskan Native	649,300	145,500	83,900	101,000	116,200	60,700	67,200	74,800
Asian	6,077,100	988,800	648,900	964,400	898,400	791,700	750,000	1,034,900
Hawaiian/Pacific Islander	248,100	40,600	36,400	34,700	32,400	41,600	27,500	34,900
One or more races	1,413,000	525,800	259,200	241,000	147,900	78,800	82,500	77,800
no data	no data	no data	no data	no data	no data	no data	no data	no data
Ethnicity	no data	no data	no data	no data	no data	no data	no data	no data
Latino/Hispanic	15,598,800	4,024,000	2,268,800	2,488,600	2,195,700	1,842,800	1,452,200	1,326,700
Non-Hispanic	23,286,90	3,707,00	2,302,40	3,288,10	3,036,60	2,933,40	3,269,00	4,750,40

	All Ages Number	**0 to 15** Number	**16 to 24** Number	**25 to 34** Number	**35 to 44** Number	**45 to 54** Number	**55 to 64** Number	**65 and over** Number
	0	0	0	0	0	0	0	0
no data	no data	no data	no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data	no data	no data	no data
Native-Born	29,189,000	7,481,000	4,083,000	4,477,300	3,327,800	2,745,900	2,962,700	4,111,300
Foreign-Born	9,696,600	250,000	488,100	1,299,400	1,904,500	2,030,300	1,758,500	1,965,800
U.S. Citizen by Naturalization	5,326,700	39,700	170,800	455,600	835,200	1,127,400	1,146,900	1,551,100
Not A U.S. Citizen	4,369,900	210,300	317,300	843,800	1,069,300	902,900	611,600	414,700

	0 to 15 **Share (%) of Demographic Group**	**16 to 24** **Share (%) of Demographic Group**	**25 to 34** **Share (%) of Demographic Group**	**35 to 44** **Share (%) of Demographic Group**	**45 to 54** **Share (%) of Demographic Group**	**55 to 64** **Share (%) of Demographic Group**	**65 and over** **Share (%) of Demographic Group**
All Demographic Groups*	**19.9%**	**11.8%**	**14.9%**	**13.5%**	**12.3%**	**12.1%**	**15.6%**
no data	no data	no data	no data	no data	no data	no data	no data
Gender	no data	no data	no data	no data	no data	no data	no data
Male	20.6%	12.2%	15.2%	13.6%	12.2%	12.0%	14.3%
Female	19.2%	11.4%	14.6%	13.3%	12.4%	12.3%	16.9%
no data	no data	no data	no data	no data	no data	no data	no data
Race	no data	no data	no data	no data	no data	no data	no data
White	19.8%	11.6%	14.4%	13.2%	12.4%	12.5%	16.1%
Black	19.7%	11.4%	16.7%	13.7%	13.0%	12.0%	13.6%
American Indian, Alaskan Native	22.4%	12.9%	15.6%	17.9%	9.3%	10.3%	11.5%
Asian	16.3%	10.7%	15.9%	14.8%	13.0%	12.3%	17.0%

	0 to 15 Share (%) of Demographic Group	16 to 24 Share (%) of Demographic Group	25 to 34 Share (%) of Demographic Group	35 to 44 Share (%) of Demographic Group	45 to 54 Share (%) of Demographic Group	55 to 64 Share (%) of Demographic Group	65 and over Share (%) of Demographic Group
Hawaiian/Pacific Islander	16.4%	14.7%	14.0%	13.1%	16.8%	11.1%	14.1%
One or more races	37.2%	18.3%	17.1%	10.5%	5.6%	5.8%	5.5%
no data	no data	no data	no data	no data	no data	no data	no data
Ethnicity	no data	no data	no data	no data	no data	no data	no data
Latino/Hispanic	25.8%	14.5%	16.0%	14.1%	11.8%	9.3%	8.5%
Non-Hispanic	15.9%	9.9%	14.1%	13.0%	12.6%	14.0%	20.4%
no data	no data	no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data	no data	no data
Native-Born	25.6%	14.0%	15.3%	11.4%	9.4%	10.2%	14.1%
Foreign-Born	2.6%	5.0%	13.4%	19.6%	20.9%	18.1%	20.3%
U.S. Citizen by Naturalization	0.7%	3.2%	8.6%	15.7%	21.2%	21.5%	29.1%
Not A U.S. Citizen	4.8%	7.3%	19.3%	24.5%	20.7%	14.0%	9.5%

Source: Employment Development Department

Educational Attainment

- According to the BLS, increased education is often associated with both higher wages and lower unemployment. The BLS also found that among the employed, the likelihood of working in a management, professional, or related occupation increases with educational attainment. By contrast, the likelihood of working in service occupations; natural resources, construction, and maintenance occupations; and production, transportation, and material moving occupations decreases by educational attainment.

- Just over one-third (34.1 percent) of all California's working-age population, those age 16 and older, had a bachelor's degree or higher in August 2021 and an additional 8.2 percent had earned an associate degree. In numerical terms, over 10 million California's had earned a bachelor's degree or higher and 2.5 million had earned an associate degree.

- In contrast, nearly 25 percent (24.5 percent) of California's working-age population earned a high school diploma only and just over 15 percent (15.6 percent) never graduated high school. In addition, nearly 18 percent (17.7 percent) of Californians earned a high school diploma and had some college experience.

- Among racial and ethnic groups, educational attainment patterns varied considerably. Asians tended to have the highest educational attainment among California racial and ethnic groups. Just under 60 percent (59.9 percent) of California Asians had an associate degree or higher, with 53.7 percent of them having a bachelor's degree or higher.

- Hispanics tended to have the lowest educational attainment levels among California's racial and ethnic groups in August 2021 with 6 out of every ten (60.8 percent) Hispanics 16 years and older had not graduated high school or had only a high school diploma. The percent shares of those who had a high school diploma (31.4 percent) and those that did not complete high school (29.4 percent) were roughly similar.

- The shares of Black and White Californians who had an associate degree or higher were nearly identical at 39.2 and 39.1 percent, respectively, but a slightly higher share of Whites (30.8 percent) than Blacks (28.8 percent) had a bachelor's degree or higher. In addition, Blacks (10.4 percent) had a slightly higher share of persons with an associate degree than Whites (8.3 percent).

- In terms of national origin, native-born Californians tended to have higher educational attainment levels than the foreign-born. One out of every three (35.5 percent) native-born Californians held a bachelor's degree or higher and just over nine percent held an associate degree (9.1 percent) in August 2021. In addition, 9.9 percent of native Californians did not complete high school and 24.4 percent held a high school diploma alone. In sharp contrast, over half (53.7 percent) of foreign-born Californians had either never completed high school (29.0 percent) or only attained a high school diploma (24.7 percent).

Table 22

Demographic Characteristics of Californians by Educational Attainment (16 Years and Older)

(August 2021, 12-Month Average of Current Population Survey Data)

	All Educational Attainment Groups Number	**Did Not Complete High School** Number	**High School Diploma, No College** Number	**High School Graduate, Some College** Number	**Associate Degree** Number	**Bachelor's Degree or Higher** Number
All Demographic Groups*	**31,154,800**	**4,873,800**	**7,622,100**	**5,501,300**	**2,541,200**	**10,616,400**

	All Educational Attainment Groups Number	**Did Not Complete High School** Number	**High School Diploma, No College** Number	**High School Graduate, Some College** Number	**Associate Degree** Number	**Bachelor's Degree or Higher** Number
no data	no data	no data	no data	no data	no data	no data
Gender						
Male	15,253,200	2,495,300	3,938,400	2,723,400	1,118,500	4,977,600
Female	15,901,600	2,378,500	3,683,700	2,777,900	1,422,700	5,638,800
no data	no data	no data	no data	no data	no data	no data
Race	no data	no data	no data	no data	no data	no data
White	22,485,400	3,865,800	5,711,300	4,113,800	1,863,700	6,930,800
Black	1,980,600	219,600	545,900	438,700	205,500	570,900
American Indian, Alaskan Native	502,300	127,300	145,700	99,300	49,500	80,500
Asian	5,091,000	495,100	932,600	613,800	316,800	2,732,800
Hawaiian/Pacific Islander	207,600	26,000	62,700	39,700	28,200	51,000
One or more races	n/a	n/a	n/a	n/a	n/a	n/a
Ethnicity	no data	no data	no data	no data	no data	no data
Latino/Hispanic	11,575,400	3,397,900	3,636,600	2,074,000	804,300	1,662,700
Non-Hispanic	19,579,400	1,475,900	3,985,600	3,427,300	1,736,900	8,953,700
no data	no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data	no data
Native-Born	21,689,500	2,141,400	5,299,700	4,586,100	1,966,400	7,695,900
Foreign-Born	9,465,800	2,749,100	2,334,200	905,600	566,200	2,910,700

	All Educational Attainment Groups Share (%) of Demographic Group	Did Not Complete High School Share (%) of Demographic Group	High School Diploma, No College Share (%) of Demographic Group	High School Graduate, Some College Share (%) of Demographic Group	Associate Degree Share (%) of Demographic Group	Bachelor's Degree or Higher Share (%) of Demographic Group
All Demographic Groups*	**-**	**15.6%**	**24.5%**	**17.7%**	**8.2%**	**34.1%**
no data	no data	no data	no data	no data	no data	no data
Gender	no data	no data	no data	no data	no data	no data
Male	-	16.4%	25.8%	17.9%	7.3%	32.6%
Female	-	15.0%	23.2%	17.5%	8.9%	35.5%
no data	no data	no data	no data	no data	no data	no data
Race	no data	no data	no data	no data	no data	no data
White	-	17.2%	25.4%	18.3%	8.3%	30.8%
Black	-	11.1%	27.6%	22.1%	10.4%	28.8%
American Indian, Alaskan Native	-	25.3%	29.0%	19.8%	9.9%	16.0%
Asian	-	9.7%	18.3%	12.1%	6.2%	53.7%
Hawaiian/Pacific Islander	-	12.5%	30.2%	19.1%	13.6%	24.6%
no data	no data	no data	no data	no data	no data	no data
Ethnicity	no data	no data	no data	no data	no data	no data
Latino/Hispanic	-	29.4%	31.4%	17.9%	6.9%	14.4%
Non-Hispanic	-	7.5%	20.4%	17.5%	8.9%	45.7%
no data	no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data	no data
Native-Born	-	9.9%	24.4%	21.1%	9.1%	35.5%
Foreign-Born	-	29.0%	24.7%	9.6%	6.0%	30.7%

Source: Employment Development Department.

[1] The minimum wage in California rose to $12 an hour on January 1, 2019.

[2] Persons under the age of 25 are excluded from the analysis to filter those who are still attending school from the analysis.

Target Populations

Veterans

- According to the U.S. Department of Veterans Affairs, a veteran is defined as a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

- There were 1.3 million veterans in California in August 2021, and this total accounted for 7.5 percent of the nation's veterans (18.6 million). Just over 90 percent (91.8 percent) or 1.2 million of the state's veterans were men and 8.2 percent or 114,100 were women.

- In August 2021, just over 67 percent (67.4 percent) of veterans residing in the Golden State were 55 years and older. One out of every five (22.8 percent) veterans were between the ages of 35 and 54. Veterans between the ages of 18 and 34 accounted for the smallest share of the state's veterans, 9.8 percent, in August 2021.

- In terms of time period of service, 31.9 percent or 443,000 of the state's veterans served honorably in the Vietnam era which extended from August 1964 to April 1975. Just over 20 percent (21.9 percent) of the state's veterans served from September 2001 or later. Veterans that served between May 1975 and July 1990 accounted for 18.4 percent or 255,000 of the state's vets.

- According to the U.S. Department of Veterans Affairs, veterans bring a host of qualities and traits that today's employers demand from their respective workforce. These qualities and traits include, but are not limited to: trust, self-motivation, confidence, being mission-driven, having gold-standard work ethic, loyalty, respect, ability to improvise, discipline, teamwork, and the ability to lead.

- According to the U.S. Census Bureau, in August 2021, 587,300 veterans were employed within the state of California. The largest concentrations of employed veterans were in the following industries: public administration (98,600); health care and social assistance (59,800); durable goods manufacturing (51,200); professional and technical services (50,900); and construction (50,800).

- In August 2021, just over 15 percent (15.1 percent) or 88,700 of veterans were employed in a management occupation in California and these types of jobs can range from emergency management directors to general and operations managers. Sizeable numbers of employed veterans were employed in occupations focused on the following: sales (62,100); office and administrative support (43,200); installation, maintenance, and repair (40,000); protective service (39,200); and business and financial operations (38,900).

Immigrant (foreign-born) workers

- The U.S. Census Bureau uses the term foreign-born to refer to anyone who is not a U.S. citizen at birth. This includes naturalized U.S. citizens, lawful permanent residents (immigrants), temporary migrants (such as foreign students), humanitarian migrants (such as refugees), and unauthorized migrants.

- In August 2021, California's civilian labor force was made up of 5.2 million employed and 460,900 unemployed foreign-born persons. In addition, the unemployment rate and labor force participation rate for foreign-born workers was 8.1 percent and 60.6 percent, respectively.

- In August 2021, the largest number of foreign-born workers, 622,400, were employed within the health care and social assistance industry. This industry is comprised of establishments that specialize in providing services that range from ambulatory health care to community food and housing. It is worth noting that over 500,000 employed foreign-born workers were employed in either the professional and technical services (516,000) or construction (509,900) industries. In addition, 8.3 percent and 7.9 percent of the state's employed foreign-born workers were employed in the retail trade (436,700) or accommodation and food services (415,500) industries, respectively.

- In August 2021, over 1.3 million of the state's foreign-born workforce were employed in either a management (467,100), transportation and material moving (462,200), or construction and extraction (429,800) occupation. Over 350,000 of the employed foreign-born held a job related to office and administrative support (for example, accounting clerks), building and grounds cleaning (for example, landscaping workers), or sales (for example, insurance sales agents). The fewest numbers of foreign-born workers were employed in protective service (37,900) and legal (22,700) occupations.

Californians with Disabilities

- The U.S. Department of Housing and Urban Development (HUD) defines a person with a disability as any person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment. Examples of major life activities include: walking, talking, seeing, breathing, performing manual tasks, or caring for oneself.

- In August 2021, there were 3.0 million persons with a disability in the Golden State. Persons with disabilities made up 2.8 percent or 546,200 members of the state's civilian labor force which was comprised of 18.9 million persons. The civilian labor force for persons with disabilities was made up of 470,100 employed and 76,100 unemployed persons. The unemployment rate and labor force participation rate for this segment of the California labor force stood at 13.9 percent and 18.1 percent, respectively, in August 2021.

- For persons with disabilities, the largest number of employed persons worked within the health care and social assistance (71,900) and retail trade (55,400) industries in August 2021. In addition, over 30,000 employed persons with disabilities held jobs in the following industries: professional and technical services (39,700); construction

(34,700); educational services (33,300); public administration (31,100); and accommodation and food services (30,600) industries.

- In terms of the jobs most often held by employed persons with disabilities, management (58,000) and sales (51,100) occupations had the highest concentration of workers in August 2021. Also, employed persons with disabilities held over 30,000 office and administrative support (36,700) and transportation and material moving (32,600) jobs in the Golden State.

- In August 2021, one out of every five (21.6 percent) or 652,600 persons with a disability had attained a bachelor's degree or higher. A breakout of this collective level of educational attainment is as follows: bachelor's degree (431,300); master's degree (159,800); doctorate degree (30,800); and professional degree (30,700). Nearly 30 percent (29.1 percent) of persons with a disability in California had attained a high school diploma or equivalent and 21.0 percent or 634,700 persons with a disability had not completed high school.

Californians with Disabilities by Age and Type of Disability

- According to the BLS, nationwide, persons with disabilities reported that their own disability, lack of education or training, lack of transportation, and the need for special features at the job were some of the barriers they faced to finding a job. In addition, among persons with a disability who were employed, over half experienced some difficulty completing their work duties because of their disability.

- According to the 12-month average data from the CPS, among Californians 16 years and older, there were 3.0 million people with a disability in the State in August 2021. They comprised 9.7 percent of California's working age population.

- Persons with disabilities can have more than one type of disability. The most commonly cited type of disability in August 2021 was difficulty walking or climbing stairs (1.6 million persons), followed by difficulty doing errands (1.2 million persons), and difficulty remembering or making decisions (1.0 million persons).

- In terms of age cohorts, Californian's age 75 and over comprised the largest number (940,000 persons) of persons with a disability in California in August 2021. Furthermore, among the 3.0 million persons with a disability in the Golden State, just over 51 percent (51.5) were 65 years and older. In contrast, younger persons age 16 to 24 made up the smallest number of persons with a disability (174,500).

- The CPS data suggests a strong relationship between advancing age and the incidence of having a disability. Less than 4 percent (3.8 percent) of the State's persons between the ages of 16 and 24 reported having a disability in August 2021. This is in stark contrast to just over 38 percent (38.2 percent) of persons 75 years and over reporting to have a disability. The disability most often cited by persons 75 years and over are as follows: difficulty walking or climbing stairs (606,600 persons), difficulty doing errands (472,300 persons), or deafness or serious difficulty hearing (411,500 persons).

Table 23

Californians with Disabilities by Age and Type of Disability

(August 2021: 12-Moving Average Current Population Survey Data)

	All Ages Number	**16 to 24** Number	**25 to 34** Number	**35 to 44** Number	**45 to 54** Number	**55 to 64** Number	**65 to 74** Number	**75 and Over** Number
All Persons	31,154,800	4,560,400	5,787,000	5,241,300	4,777,000	4,723,200	3,603,600	2,462,400
no data	no data	no data	no data	no data	no data	no data	no data	no data
Doesn't Have a Disability	28,139,600	4,385,900	5,560,500	5,010,400	4,488,400	4,182,100	2,990,000	1,522,400
Has a Disability	3,015,200	174,500	226,500	230,900	288,600	541,100	613,600	940,000
no data	no data	no data	no data	no data	no data	no data	no data	no data
Share (%) of Age Cohort Having a Disability	**9.7%**	**3.8%**	**3.9%**	**4.4%**	**6.0%**	**11.5%**	**17.0%**	**38.2%**
no data	no data	no data	no data	no data	no data	no data	no data	no data
Type of Disability								
Difficulty Walking or Climbing Stairs	1,666,200	20,200	60,000	88,800	159,000	347,100	384,600	606,600
Difficulty Doing Errands	1,241,900	75,300	106,600	80,000	115,600	199,300	192,600	472,300
Difficulty Remembering or Making Decisions	1,020,600	136,600	129,000	104,800	123,900	157,600	122,500	246,100
Deafness or Serious Difficulty Hearing	840,200	15,100	33,500	39,600	44,000	98,600	197,900	411,500
Difficulty Dressing or Bathing	630,900	23,400	38,000	46,100	58,100	116,500	95,400	253,400
Blindness or Difficulty Seeing	482,500	13,300	34,700	37,600	37,300	82,100	106,800	170,600

	All Ages Number	**16 to 24** Number	**25 to 34** Number	**35 to 44** Number	**45 to 54** Number	**55 to 64** Number	**65 to 74** Number	**75 and Over** Number
Without Glasses								

Age Distribution of Persons Who Have a Disability

Type of Disability	**All Ages Share (%)**	**16 to 24 Share (%)**	**25 to 34 Share (%)**	**35 to 44 Share (%)**	**45 to 54 Share (%)**	**55 to 64 Share (%)**	**65 to 74 Share (%)**	**75 and Over Share (%)**
Difficulty Walking or Climbing Stairs	100%	1.2%	3.6%	5.3%	9.5%	20.8%	23.1%	36.4%
Difficulty Doing Errands	100%	6.1%	8.6%	6.4%	9.3%	16.0%	15.5%	38.0%
Difficulty Remembering or Making Decisions	100%	13.4%	12.6%	10.3%	12.1%	15.4%	12.0%	24.1%
Deafness or Serious Difficulty Hearing	100%	1.8%	4.0%	4.7%	5.2%	11.7%	23.6%	49.0%
Difficulty Dressing or Bathing	100%	3.7%	6.0%	7.3%	9.2%	18.5%	15.1%	40.2%
Blindness or Difficulty Seeing Without Glasses	100%	2.8%	7.2%	7.8%	7.7%	17.0%	22.1%	35.4%

Source: U.S. Census Bureau; Employment Development Department.

Youth Employment

- According to the U.S. Census Bureau, in August 2021, young workers (persons between the ages of 16 and 24) accounted for 11.6 percent or 2.1 million members of the state's civilian labor force (18.9 million persons). Just over ten percent (10.8 percent) of the total number of employed persons (17.3 million) within the Golden State were young people. In addition, one out of every five unemployed Californians (20.0 percent) were younger people. As of August 2021, the unemployment rate and labor force participation rate for younger workers stood at 14.6 percent and 48.1 percent respectively.

- Generally speaking, younger workers tended to be employed in industries where entry-level employment did not require a postsecondary education or advanced technical training and skills. For example, four out of every ten or 42.8 percent of employed younger workers had jobs within either the retail trade (412,000) or accommodation

and food services (390,600) industries. The types of jobs within these industries can range from cashier to short order cook.

- In August 2021, over 300,000 of California's younger workers were employed in a sales and related occupation. The types of jobs included in this occupational group include, but are not limited to: cashiers, counter and rental clerks, and first-line supervisors of retail sales workers. Over 200,000 younger workers were employed in food preparation and serving (276,500), office and administrative support (250,300), and transportation and material moving (215,000) jobs.

In-Migration

- Migration is defined as the movement of people from one location to another permanent place of residence. The reasons why people migrate are due to push and pull factors. Push factors such as retirement, movement of a business, or lack of work often drive people from their current place of residence. A healthy economy and a pleasant climate are examples of pull factors that attract people to new locations.

- The Public Policy Institute of California (PPIC) found that people who move to California are different from those who move out. In general, those who move to California are more likely to be working age, employed, and earning high wages—and are less likely to be in poverty—than those who move away. In addition, those who move to California also tend to have higher education levels than those who move out.

- According to the latest figures from the U.S. Census Bureau's American Community Survey, 480,200 people migrated out of California in 2019 and 653,600 migrated in from another state. According to the latest estimates, between 2017 and 2019, the number of people migrating out of the state declined by 42,900 people. Over this two-year period, migration into the Golden State decreased from 661,000 in 2017 to 653,600 in 2019, a net change of roughly 7,400 people.

- In 2019, Californians that moved out of the state tended to gravitate towards the states of New York (37,600), Texas (37,000), and Washington (31,900). One out of every five (22.2 percent) Californians that migrated out of the state moved to one of these three states.

- California attracted 653,600 residents from across the country in 2019 and these residents previously resided in the states of Texas (82,200), Arizona (59,700), Nevada (47,300), and Washington (46,800). One in three persons (36.1 percent) that migrated into California that year came from one of these four states.

Justice Involved Individuals

- According to Brooking Institution research, over 640,000 formerly incarcerated individuals return to communities across the United States each year and more than half of the formerly incarcerated are unable to find stable employment within their first year of return to society.

- Barriers to employment are any of the job candidates' attributes (e.g., skills, experience, and work history) that may hinder their chances for acquiring gainful employment. California's ex-offenders are challenged by barriers such as a limited education, a lack of work experience, and negative stigmas when trying to find a job in today's economy.

- However, according to the Brooking Institution, research has demonstrated that health, housing, skill development, mentorship, social networks, and the collaborative efforts of public and private organizations collectively improve the reentry experience; improving the chances of acquiring stable employment.

- California's Department of Corrections and Rehabilitation (CDCR) data on parolees provides insight into the number of persons being released from confinement in state prison. This information helps to gauge the number of ex-offenders that may have sought entry into the state's labor force within a given year. According to the latest data from CDCR, from June 2018 to June 2019, the total active parolee population increased from 47,370 to 50,822.

- In terms of demographics, 17.7 percent of parolees (8,980) in California were between the ages of 25 and 29 years old. In addition, parolees between the ages of 18 and 49 made up over three-quarters (78.1 percent) of the active parolee population in 2019.

- The counties that had the largest concentrations of the state's 50,822 parolees in 2019 were as follows: Los Angeles (16,002), San Bernardino (3,689), Sacramento (3,442), Riverside (3,246), San Diego (3,019), and Orange (2,371). All of the state's remaining counties made up 19,053 or 37.5 percent of the remaining total that year.

Homelessness

- The U.S. HUD defines a homeless person as one who lacks a fixed, regular, and adequate nighttime residence. HUD estimated that in 2020 there were 580,466 homeless people in the U.S. and 61.0 percent (354,386) of them were sheltered and 39.0 percent (226,080) were unsheltered. Between 2019 and 2020, people experiencing homelessness increased by 12,751 people. The age cohorts of the nation's homeless people in 2020 are as follows: Over the age of 24 (428,859), under the age of 18 (106,364), and between the ages of 18 and 24 (45,243).

- In 2020, there were 161,548 homeless people in California, and among this total, 113,660 were unsheltered and 47,888 were sheltered. In 2020, California accounted for more than half of all unsheltered people in the country. Between 2019 and 2020, the number of homeless people in California increased by 6.8 percent or 10,270 people. In five major cities in California, more than 80 percent of homeless individuals were unsheltered: San Jose (87.0 percent), Los Angeles (84.0), Fresno (84.0), Oakland (82.0), and Long Beach (81.0).

- California accounted for 15 percent of people in families experiencing homelessness in the U.S (25,777). The state had a net increase of 3,276 in its population of families experiencing homelessness between 2019 and 2020. The state also accounted for 31

percent of all veterans experiencing homelessness in the United States in 2020 (11,401 veterans) and more than half of all were unsheltered (7,996 veterans). Between 2019 and 2020, the state experienced a net increase of 421 homeless veterans.

- In addition, four of every ten individuals with chronic patterns of homelessness in the United States were in California (48,812 people), and among this group, 40,776 were unsheltered. Between 2019 and 2020, the state's number of chronically homeless individuals increased by 9,537.

Skills Gaps

While state level labor market data can provide helpful insight into employer needs and potential workforce skill gaps at a macro level, due to the sheer complexity of California's economy, skills gap assessments are most accurate and reflective of the diversity of the state when conducted at the regional level.

For this reason, Local Workforce Boards are required to engage with other core program partners and employers within their RPUs to conduct a regional analysis of economic conditions as a part of the WIOA Regional Planning process. This analysis must include, but is not limited to, the following:

- An analysis of the regional workforce which includes current labor force employment and unemployment data;
- Information on labor market trends;
- Educational and skill levels of the workforce, including individuals with barriers to employment.

California believes that conducting these assessments as part of a meaningful regional planning effort drives regional sector career pathways that are comprised of the following components: multiple on- ramps to enter and exit with industry recognized credentials; active participation by employers for training and placement; innovations in program content and delivery for upskilling; and integrated support services, including academic and safety-net resources.

The COVID-19 Pandemic Disrupted California's Labor Market, But It Is Now Recovering

- With a real Gross Domestic Product (GDP) of over $2.8 trillion in the second quarter of 2021, a labor market with 19 million participants, and a nonfarm economy with 16.6 million jobs in August 2021, California has the largest economy of any state in the nation.

- California's economy and labor markets have experienced recent turbulence due to the COVID-19 pandemic and, more particularly, the associated public health measures implemented to mitigate its spread. The pandemic emphatically ended California's 10-year employment expansion in February 2020 and led to unprecedented job losses and increases in unemployment over just a two-month period through April 2020. However, the pandemic-induced recession was short-lived, and California's labor market is now recovering.

- California's labor market continues to experience a demographic transformation as the predominantly White and native-born baby boomer generation has aged and begun

retiring from the labor force in large numbers, leaving the more racially and ethnically diverse millennial generation to take their place.

Pre-Pandemic: California's Employment Expansion

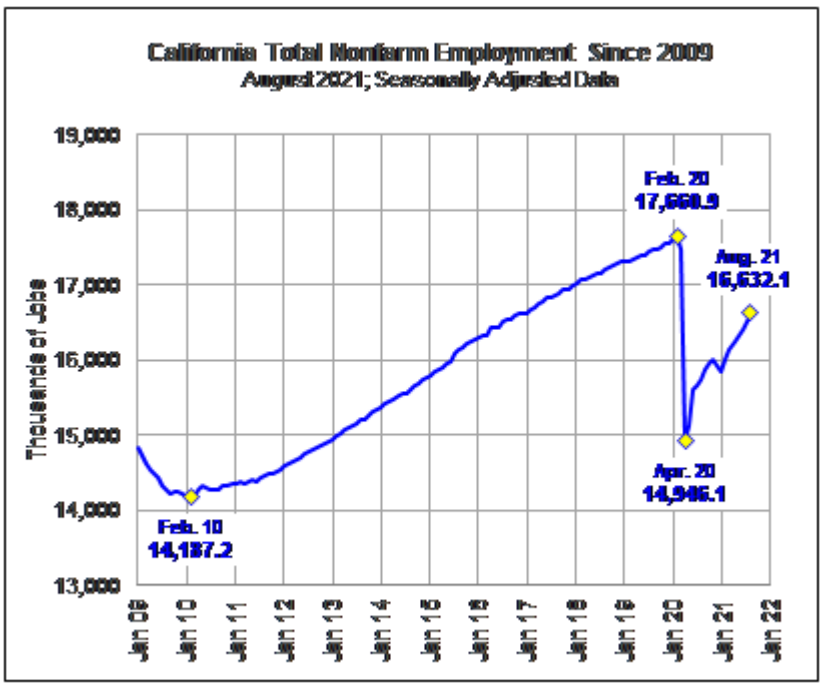
Total Nonfarm Jobs

- In February 2020, the month prior to the COVID-19 pandemic outbreak, California's employment expansion turned 10 years old.[1] This was the state's longest employment expansion in the post-World War II era of record-keeping, eclipsing the 113-month expansion that lasted from July 1960 through December 1969.

- California added 3,473,700 nonfarm jobs from February 2010 through February 2020, which was an increase of 24.5 percent. The state added an average of 28,900 nonfarm jobs per month and grew at an average annual pace of 2.4 percent over the course of the 120-month expansion.

[1] Whereas U.S. economic business cycles are officially arbitrated and dated by the National Bureau of Economic Research (NBER) based on a basket of economic indicators, no such dating of business cycles occurs at the state level. This document uses peaks and troughs in total nonfarm employment to identify California recessions and employment expansions.

Figure 1



Source: Employment Development Department

Industry Sector Jobs

- California's job gains during the February 2010-February 2020 expansion were broadly distributed across industry sectors, with every sector except mining and logging adding jobs over the period.

- Educational and health services (751,000) added the most jobs, followed by professional and business services (717,600) and leisure and hospitality (577,800). These three

industry sectors combined added 2,046,400 jobs over the course of the expansion, accounting for nearly three-fifths (58.9 percent) of the state's overall nonfarm job gains.

- Two additional industry sectors added more than 300,000 jobs over the course of the expansion: trade, transportation, and utilities (473,100) and construction (344,700). Three additional industry sectors added more than 100,000 jobs: government (176,300), information (153,600) and other services (111,800).

- In percentage terms, construction (60.6 percent) grew at the fastest pace over the course of the expansion. Four additional industry sectors had larger percentage job gains than the overall economy's 24.5 percent increase: leisure and hospitality (39.0 percent), information (35.9 percent), educational and health services (35.6 percent), and professional and business services (34.9 percent). As a group, these five industry sectors encompass a range of skill and pay levels, with the information and professional and business services sectors having a comparatively large share of high-skill jobs and high pay levels, educational and health services and construction having middle-skill jobs and middle pay levels, and leisure and hospitality having comparatively low-skill and low pay levels.

- The presence of the high technology-oriented information and professional and business services sectors among California's fastest growing industry sectors signals the important role that the state's high technology played in driving the economic expansion, particularly in the Bay Area.

Table 1

Changes in California Total Nonfarm and Industry Sector Jobs from February 2010 Through February 2020

Seasonally Adjusted Data; Thousands of Jobs

(Industry Sectors ranked by percentage change in jobs.)

No data	**February 2010**	**February 2020**	**10-Year Change in Number**	**10-Year Change in Percent**
Total Nonfarm Jobs	**14,187.2**	**17,660.9**	**3,473.7**	**24.5%**
Construction	568.6	913.3	344.7	60.6%
Leisure and Hospitality	1,480.4	2,058.2	577.8	39.0%
Information	427.5	581.1	153.6	35.9%
Educational and Health Services	2,111.5	2,862.5	751.0	35.6%
Professional and Business Services	2,053.7	2,771.3	717.6	34.9%
Other Services	481.5	593.3	111.8	23.2%
Trade, Transportation,	2,593.9	3,067.0	473.1	18.2%

No data	**February 2010**	**February 2020**	**10-Year Change in Number**	**10-Year Change in Percent**
and Utilities				
Financial Activities	760.8	848.8	88.0	11.6%
Government	2,439.0	2,615.3	176.3	7.2%
Manufacturing	1,246.7	1,327.8	81.1	6.5%
Mining and Logging	23.6	22.3	-1.3	-5.5%

Source: Employment Development Department.

- In contrast, five industry sectors grew at a slower pace than the overall economy over the course of the February 2010-February 2020 expansion. Whereas other services (23.2 percent) added jobs at a pace only slightly below that of the overall economy, the pace of job growth was considerably weaker in four industry sectors: trade, transportation, and utilities (18.2 percent); financial activities (11.6 percent); government (7.2 percent); and manufacturing (6.5 percent). Mining and logging (5.5 percent) had a net job loss even as other industry sectors grew.

- Although the pace of job growth in the trade, transportation, and utilities sector was weaker than that of the overall economy over the course of the expansion, differences in the rate of growth in its three subsectors merit some mention. The number of jobs in the wholesale trade and retail trade subsectors grew by 10.5 percent and 9.4 percent, respectively, from February 2010 through February 2020, lagging behind the pace of the overall economy.

- In contrast, the number of jobs in the transportation, warehousing, and utilities subsector grew by 57.0 percent. This was the second largest percentage increase among all the industry sectors and subsectors that make up California's nonfarm economy. The transportation, warehousing, and utilities subsector added 265,900 jobs from February 2010 through February 2020, accounting for well over half (56.2 percent) of the 473,100 jobs the trade, transportation, and utilities sector gained over the same period. This underscores the important role that international trade and logistics had in driving the state's economic expansion, particularly in southern California.

Regional Jobs (Regional Planning Units)

- In support of the Workforce Innovation and Opportunity Act (WIOA), California is divided into 15 Regional Planning Units (RPUs), or regions, for the purposes of regional economic analysis.[1]

- California's regions vary greatly in size. Total nonfarm employment in Los Angeles Basin Region, the state's largest, totaled 4.2 million nonfarm jobs in August 2021. Seven additional regions—Bay-Peninsula, Orange, Southern Border, Inland Empire, San Joaquin Valley, East Bay, and Capital—had between one million and 2.2 million jobs. In contrast, employment in four regions—Ventura, South Central Coast, North State, and North Central Coast—totaled between 200,000 and 300,000 nonfarm jobs. The state's two smallest regions—North Coast County and Middle Sierra—each had fewer than 50,000 nonfarm jobs.

- It should be noted that regional job totals are not seasonally adjusted, meaning that the regular and recurring seasonal patterns of employment that occur within the labor market are not filtered out of monthly estimates. As such, comparing like months of the calendar year is the only way to control for seasonality when analyzing not seasonally adjusted data. Fortunately, this does not present an obstacle in looking at the February 2010-February 2020 expansion.

- California experienced broad-based regional nonfarm job growth over the course of its employment expansion, with each of the state's 15 regions adding jobs from February 2010 through February 2020. Not surprisingly, the largest job gains were in the state's largest regions. Los Angeles Basin Region (723,500) added the most jobs among regions over the 10-year period. Bay-Peninsula Region, despite being only about half the size of Los Angeles Basin Region, was a close second, adding 653,200 jobs.

- Inland Empire Region (38.8 percent) had the fastest job growth rate among California regions over the course of the expansion, followed closely by Bay-Peninsula Region (38.4 percent). The rapid rate of job growth in these two areas in part reflected the key roles that international trade and logistics and high technology—two of the state's more dynamic segments of the economy during the expansion—play in Inland Empire and Bay-Peninsula, respectively.

- San Joaquin Valley (25.2 percent) was the only other region in which job growth exceeded the overall economy's not seasonally adjusted 24.9 percent job increase from February 2010 through February 2020. However, seven additional regions had job increases of 20.0 percent or more: Capital (24.7 percent), Orange (24.3 percent), East Bay (23.7 percent), South Central Coast (23.7 percent); Southern Border (23.6 percent), North Bay (22.9 percent), and North Central Coast (20.0 percent).

[1] Additional RPU information can be found here: https://www.labormarketinfo.edd.ca.gov

Table 2

Changes in Total Nonfarm Jobs in California Regional Planning Units (Regions) Over the Course of the February 2010-February 2020 Expansion

Not Seasonally Adjusted Data; Thousands of Jobs.

(Regions ranked by percentage change in jobs.)

No data	**February 2010**	**February 2020**	**10-Year Change in Number**	**10-Year Change in Percent**
California (Not Seasonally Adjusted)	14,089.5	17,604.1	3,514.6	24.9%
LARGEST REGIONS	No data	No data	No data	No data
Inland Empire	1,143.4	1,587.1	443.7	38.8%
Bay-Peninsula	1,699.1	2,352.3	653.2	38.4%

No data	**February 2010**	**February 2020**	**10-Year Change in Number**	**10-Year Change in Percent**
San Joaquin Valley	1,101.2	1,378.9	277.7	25.2%
Capital	877.8	1,094.3	216.5	24.7%
Orange	1,354.1	1,683.5	329.4	24.3%
East Bay	965.0	1,193.8	228.8	23.7%
Southern Border	1,269.6	1,569.4	299.8	23.6%
North Bay	479.2	589.1	109.8	22.9%
Los Angeles Basin	3,896.0	4,619.5	723.5	18.6%
SMALLEST REGIONS	No data	No data	No data	No data
South Central Coast	256.4	317.1	60.7	23.7%
North Central Coast	206.8	248.2	41.4	20.0%
Ventura	272.2	315.4	43.2	15.9%
Middle Sierra	39.2	45.3	6.1	15.6%
North State	211.2	240.8	29.6	14.0%
North Coast County	45.9	50.6	4.7	10.2%

Source: Employment Development Department.

- Job growth over the course of the expansion tended to be faster in the state's largest, more urbanized regions than in its smaller, more sparsely populated, rural regions. Eight of the state's largest regions had job gains of 20.0 percent or more. The lone exception was Los Angeles Basin, which had an 18.6 percent job gain.

- In contrast, only two of the state's six smallest regions—South Central Coast (23.7 percent) and North Central Coast (20.0 percent)—had a gain of at least 20.0 percent. Each of the state's four remaining smallest regions had job gains less than 16.0 percent from February 2010 through February 2020: Ventura (15.9 percent), Middle Sierra (15.6 percent), North State (14.0 percent), and North Coast County (10.2 percent).

- Table 3 shows the industry sectors that added the most jobs and grew at a faster pace than the overall regional economy over the course of the February 2010 through February 2020 expansion. The industries with the largest gains in number provided the most opportunities for employment. The industries with the largest percentage job gains were the growth industries in each region's economy.

Table 3

Industry Sectors That Added the Most Jobs and Grew at the Fastest Rate by California Region (Regional Planning Unit) Over the Course of the February 2010-February 2020 Expansion

Not Seasonally Adjusted Data

No data	**Industry Sectors That Gained the Most Jobs During the Expansion**	**Industry Sectors That Grew Faster than the Overall Regional Economy During the Expansion**
LARGEST REGIONS (RPUs)	No data	No data
Los Angeles Basin	Educational and health services (192,200); leisure and hospitality (174,900); professional and business services (136,200); trade, transportation, and utilities (110,000).	Construction (48.6%); leisure and hospitality (46.9%); educational and health services (28.6%); information (27.6%); professional and business services (26.7%); other services (20.8%).
Bay-Peninsula	Professional and business services (202,000); information (128,300); educational and health services (93,200); leisure and hospitality (75,100).	Information (159.4%); construction (75.0%); professional and business services (60.3%); leisure and hospitality (42.4%).
Orange	Professional and business services (83,000); educational and health services (69,800); leisure and hospitality (64,200); construction (40,600).	Construction (61.5%); educational and health services (41.2%); leisure and hospitality (39.7%); professional and business services (33.8%); other services (33.3%).
Inland Empire	Trade, transportation, and utilities (137,000); educational and health services (97,900); leisure and hospitality (56,200); construction (50,400).	Construction (86.2%); educational and health services (60.5%); trade, transportation, and utilities (51.5%); leisure and hospitality (45.7%).
Southern Border	Professional and business services (60,900); educational and health services (60,900); leisure and hospitality (51,900); construction (30,000).	Construction (53.6%); educational and health services (35.4%); leisure and hospitality (34.5%); professional and business services (30.1%); other services (24.1%).
San Joaquin Valley	Trade, transportation, and utilities (70,200); educational and health services (61,200); leisure and hospitality (37,000); government (35,700).	Construction (62.8%); leisure and hospitality (37.3%); educational and health services (35.0%); trade, transportation, and utilities (32.4%); professional and business services (28.0%).
East Bay	Educational and health services (43,800); professional and business services (43,500); leisure and hospitality (37,600);	Construction (65.4%); leisure and hospitality (45.9%); professional and business services (28.6%); educational

No data	**Industry Sectors That Gained the Most Jobs During the Expansion**	**Industry Sectors That Grew Faster than the Overall Regional Economy During the Expansion**
	construction (29,800); trade, transportation, and utilities (27,000).	and health services (27.6%); manufacturing (25.0%).
Capital	Educational and health services (52,700); professional and business services (39,400); construction (35,200); trade, transportation, and utilities (33,300); leisure and hospitality (31,900).	Construction (91.0%); mining and logging (66.7%); educational and health services (40.9%); professional and business services (38.3%); leisure and hospitality (37.6%); other services (30.9%).
North Bay	Educational and health services (27,300); construction (19,700); leisure and hospitality (19,100); manufacturing (13,800); trade, transportation, and utilities (12,400).	Construction (85.8%); leisure and hospitality (34.3%); educational and health services (33.8%); manufacturing (31.6%); mining and logging (27.8%); other services (26.7%).
SMALLEST REGIONS (RPUs)	No data	No data
Ventura	Educational and health services (16,000); leisure and hospitality (9,000); construction (6,000); trade, transportation, and utilities (5,300).	Construction (53.6%); educational and health services (45.3%); leisure and hospitality (30.4%).
South Central Coast (Excl. San Benito County)	Professional and business services (14,200); leisure and hospitality (12,500); educational and health services (11,300); construction (6,100); government (5,000).	Construction (53.0%); professional and business services (49.5%); leisure and hospitality (35.4%); other services (31.0%); educational and health services (30.8%).
North State	Educational and health services (8,400); construction (6,400); leisure and hospitality (5,000); trade, transportation, and utilities (4,500).	Construction (90.9%); mining and logging (25.9%); other services (23.9%); leisure and hospitality (22.4%); educational and health services (20.5%); professional and business services (19.7%).
North Central Coast	Leisure and hospitality (10,300); educational and health services (7,900); government (5,900); professional and business services (5,400); construction (4,400).	Construction (64.7%); mining and logging (50.0%); leisure and hospitality (34.2%); other services (29.3%); professional and business services (26.7%); educational and health services (25.3%); manufacturing

No data	**Industry Sectors That Gained the Most Jobs During the Expansion**	**Industry Sectors That Grew Faster than the Overall Regional Economy During the Expansion**
		(22.9%).
North Coast County	Educational and health services (1,400); government (1,000); construction (600); professional and business services (600); leisure and hospitality (600).	Mining and logging (50.0%); construction (40.0%); professional and business services (21.4%); educational and health services (18.4%); leisure and hospitality (12.0%); other services (10.5%).
Middle Sierra	Educational and health services (1,200); leisure and hospitality (1,100); trade, transportation, and utilities (1,000); construction (1,000); professional and business services (700).	Construction (76.2%); mining and logging (48.0%); other services (43.6%); professional and business services (37.9%); manufacturing (26.2%); educational and health services (23.0%); leisure and hospitality (19.3%); trade, transportation, and utilities (18.4%).

Source: Employment Development Department.

California's Pandemic-Induced Recession

Total Nonfarm Jobs

- The outbreak of the COVID-19 pandemic brought California's 10-year employment expansion to an abrupt end in February 2020. In response to the threat that the COVID-19 virus posed to the public's health and safety, California, the nation, and much of the world, adopted strict public health mitigation measures that shut down all but essential services and activities within the economy, established strict social distancing guidelines, and limited the public's movement by means of shelter-in-place orders. Over just the two-month period from February 2020 through April 2020, California's economy lost 2.7 million nonfarm jobs. California's unemployment rate shot up from a near-record low of 4.3 percent in February 2020 to 16.0 percent in April 2020, shattering the previous record-high of 12.6 percent that occurred at the height of the Great Recession in January-March 2010.

- To help cushion this disruption within the labor market, state and federal governments launched unprecedented investments in social safety nets and strong economic stimuli totaling several trillions of dollars. This assistance included, but was not limited to: enhanced unemployment benefits, new pandemic unemployment assistance for self-employed workers, child tax credits, the Paycheck Protection Program, a COVID-related expansion of paid sick leave, student loan forbearance, mortgage relief, protection against evictions for renters, utility protections, and an expansion of the Supplemental Nutrition Assistance Program.

- California lost 2,714,800 nonfarm jobs over just a two-month period from February 2020 through April 2020. Over 2.5 million of these job losses occurred in April 2020 after public health restrictions were imposed. To put the magnitude and suddenness of this job loss into perspective, California lost a total of 1,318,400 jobs over the course of the Great Recession from July 2007 through February 2010, which was a period of 31 months. California lost over twice that many jobs in just two months following the outbreak of the COVID-19 pandemic. Total nonfarm employment fell 8.5 percent over the course of the 31-month Great Recession. It fell by 15.4 percent in the two months following the pandemic outbreak. In effect, the pandemic wiped out nearly four-fifths (78.2 percent) of 3,473,700 nonfarm jobs California gained over the course of its 10-year employment expansion in just two months.

Industry Sector Jobs

- California's job losses during the pandemic-induced recession were distributed across all industry sectors, but concentrated in those sectors in which people congregate or interact in close proximity with others. The state's travel and tourism industry ground to a near halt in the immediate aftermath of the pandemic outbreak.

Table 4

Changes in California Industry Sector Jobs Over the Course of the Pandemic-Induced Recession From February 2020 Through April 2020

Seasonally Adjusted Data; Thousands of Jobs

(Industry sectors ranked according to percentage job change.)

No data	**February 2020**	**April 2020**	**Change in Number**	**Change in Percent**
Total Nonfarm Jobs	**17,660.9**	**14,946.1**	**-2,714.8**	**-15.4%**
Government	2,615.3	2,520.5	-94.8	-3.6%
Financial Activities	848.8	800.2	-48.6	-5.7%
Mining and Logging	22.3	20.4	-1.9	-8.5%
Manufacturing	1,327.8	1,206.4	-121.4	-9.1%
Educational and Health Services	2,862.5	2,578.1	-284.4	-9.9%
Professional and Business Services	2,771.3	2,473.7	-297.6	-10.7%
Information	581.1	510.0	-71.1	-12.2%
Trade, Transportation, and Utilities	3,067.0	2,630.2	-436.8	-14.2%
Construction	913.3	738.6	-174.7	-19.1%
Other Services	593.3	395.3	-198.0	-33.4%
Leisure and Hospitality	2,058.2	1,072.7	-985.5	-47.9%

Source: Employment Development Department.

- Each of California's 11 industry sectors lost jobs over the two-month period from February 2020 through April 2020. Leisure and hospitality (985,500) had far and away the largest loss among sectors. This loss was more than double the 436,800-job loss in the trade, transportation, and utilities sector, which had the second largest loss among sectors. Losses in professional and business services (297,600) and educational and health services (284,400) approached 300,000 jobs. Three additional industry sectors lost between 100,000 and 200,000 jobs: other services (198,000), construction (174,700), and manufacturing (121,400). Government (94,800), information (71,100), financial activities (48,600), and mining and logging (1,900) were the remaining sectors that lost jobs.

- With restaurants closed to all but curbside pickups, international travel restrictions in effect, and stay-at-home orders in effect, leisure and hospitality (47.9 percent) had the largest percentage job loss among sectors, losing nearly half of its jobs over the two-month period. Other services (33.4 percent) lost one-third of its jobs, with the losses concentrated in the personal care services industry that includes establishments such as barber shops and nail salons that offer services that involve close interpersonal contact.

- Six additional industry sectors had job losses of more than 9.0 percent: construction (19.1 percent); trade, transportation, and utilities (14.2 percent); information (12.2 percent); professional and business services (10.7 percent); educational and health series (9.9 percent); and manufacturing (9.1 percent). Mining and logging (8.5 percent), financial activities (5.7 percent), and government (3.6 percent) also experienced substantial job losses.

Regional Jobs (Regional Planning Units)

- Any analysis of how the pandemic affected regional jobs is complicated by the fact that the regional data are not seasonally adjusted. As such, it is impossible to filter normally occurring seasonal patterns of employment from those related to the pandemic for the February 2020 through April 2020 period. This analysis instead uses year-over job changes in April 2020, the month which captures the pandemic's maximum year-over employment effects, to analyze the effects that the pandemic had on regional jobs.

- Each of California's 15 regions experienced a year-over job loss in April 2020. North Central Coast (18.7 percent) had the largest job loss among regions and San Joaquin Valley (9.4 percent) had the smallest, but for the most part, differences among regions were largely a matter of degree. Every region experienced large job losses.

- Nine regions had year-over job losses of more than 15.0 percent in April 2020: North Central Coast (18.7 percent), North Bay (17.5 percent), Middle Sierra (16.6 percent), South Central Coast (16.1 percent), North Coast County (15.7 percent), Orange (15.4 percent), Los Angeles Basin (15.3 percent), East Bay (15.2 percent), and Southern Border (15.2 percent). Five additional regions had job losses of 11.2 percent or more: Ventura (14.5 percent), North State (12.9 percent), Bay-Peninsula (12.5 percent), Inland Empire (11.2 percent), and Capital (11.2 percent). San Joaquin Valley (9.4 percent) was the only region with a year-over job loss of less than 10.0 percent.

- Unlike during the expansion, there did not appear to be any discernable difference between the pattern of job losses amongst the state's largest and smallest regions. This was presumably because pandemic-related public health restrictions applied to all regions of the state. If anything, job losses may have been greatest in those regions in which travel and tourism play a disproportionately large role in a region's economy.

Table 5

Year-Over Changes in Total Nonfarm Jobs in California Regional Planning Units (Regions) At the Height of the Pandemic-Induced Recession in April 2020

Not Seasonally Adjusted Data; Thousands of Jobs.

(Regions ranked by percentage change in jobs.)

No data	**April 2019**	**April 2020**	**Year-Over Change in Number**	**Year-Over Change in Percent**
California (Not Seasonally Adjusted)	17,343.0	14,943.1	-2,399.9	-13.8%
LARGEST REGIONS	No data	No data	No data	No data
San Joaquin Valley	1,354.0	1,227.2	-126.8	-9.4%
Capital	1,075.8	954.9	-120.9	-11.2%
Inland Empire	1,541.2	1,367.9	-173.3	-11.2%
Bay-Peninsula	2,307.3	2,019.2	-288.1	-12.5%
Southern Border	1,550.9	1,315.8	-235.1	-15.2%
East Bay	1,184.0	1,003.9	-180.1	-15.2%
Los Angeles Basin	4,541.5	3,847.1	-694.4	-15.3%
Orange	1,670.0	1,412.6	-257.4	-15.4%
North Bay	587.7	484.9	-102.8	-17.5%
SMALLEST REGIONS	No data	No data	No data	No data
North State	240.8	209.7	-31.1	-12.9%
Ventura	311.9	266.6	-45.3	-14.5%
North Coast County	51.0	43.0	-8.0	-15.7%
South Central Coast	314.6	264.0	-50.6	-16.1%
Middle Sierra	45.3	37.8	-7.5	-16.6%
North Central Coast	249.1	202.5	-46.6	-18.7%

Source: Employment Development Department.

- Table 6 shows the industry sectors that had the largest year-over job losses in both number and percent in April 2020. Job losses were widely distributed across all industry

sectors, with the only occasional exception being no change in employment in mining and logging, a sector that has tiny employment totals in many regions. The information sector in Bay-Peninsula was the only industry sector in any region that had a year-over job gain in April 2020. Every other industry sector in every other region had a year-over job loss or no change in jobs.

- Year-over job losses in April 2020 were heavily concentrated in leisure and hospitality and other services in every region of the state. These were the two sectors most directly affected by public health measures to mitigate the spread of the COVID-19 pandemic.

Table 6

Industry Sectors with the Largest Year-Over Job Losses in Number and Percent by California Region (Regional Planning Unit) in April 2020

Not Seasonally Adjusted Data

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Losses in Number**	**Industry Sectors With Largest Year-Over Job Losses in Percent**
LARGEST REGIONS (RPUs)	No data	No data	No data
Los Angeles Basin	All 11 industry sectors lost jobs.	Leisure and hospitality (247,400); trade, transportation, and utilities (141,200); professional and business services (75,700); educational and health services (51,500).	Leisure and hospitality (45.5%); other services (30.9%); information (17.7%); trade, transportation, and utilities (16.8%).
Bay-Peninsula	9 of 11 industry sectors lost jobs; one (information) added jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (138,000); trade, transportation, and utilities (50,500); construction (28,300); educational and health services (25,400); other services (24,100).	Leisure and hospitality (54.2%); other services (34.1%); construction (29.6%); trade, transportation, and utilities (18.0%); educational and health services (7.8%).
Orange	All 11 industry sectors lost jobs.	Leisure and hospitality (94,000); trade, transportation, and utilities (39,100); professional and business services (37,200); educational and health services (26,400); other services (16,800).	Leisure and hospitality (41.3%); other services (32.6%); mining and logging (20.0%); trade, transportation, and utilities (15.2%); professional and business services (11.4%).
Inland Empire	10 of 11 industry	Leisure and hospitality	Leisure and hospitality

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Losses in Number**	**Industry Sectors With Largest Year-Over Job Losses in Percent**
	sectors lost jobs, one (mining and logging) had no change in jobs.	(75,400); trade, transportation, and utilities (22,600); professional and business services (16,600); other services (14,100); construction (13,000).	(42.1%); other services (30.4%); information (23.1%); construction (12.3%); manufacturing (10.7%).
Southern Border	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (106,300); trade, transportation, and utilities (40,300); other services (21,100); educational and health services (18,600); professional and business services (16,400).	Leisure and hospitality (51.8%); other services (37.0%); trade, transportation, and utilities (17.3%); construction (12.7%); educational and health services (8.3%).
San Joaquin Valley	All 11 industry sectors lost jobs.	Leisure and hospitality (50,800); trade, transportation, and utilities (20,800); educational and health services (12,700); professional and business services (9,500); other services (8,800).	Leisure and hospitality (37.1%); information (22.1%); other services (21.4%); mining and logging (10.1%); construction (10.0%).
East Bay	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (59,400); trade, transportation, and utilities (30,600); construction (20,500); educational and health services (19,900); professional and business services (14,400).	Leisure and hospitality (49.7%); other services (32.4%); construction (27.6%); trade, transportation, and utilities (15.4%); educational and health services (10.0%).
Capital	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (56,000); trade, transportation, and utilities (19,700); educational and health services (11,500); other services (10,000).	Leisure and hospitality (48.3%); other services (27.4%); information (17.9%); trade, transportation, and utilities (11.5%).
North Bay	All 11 industry sectors	Leisure and hospitality	Leisure and hospitality

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Losses in Number**	**Industry Sectors With Largest Year-Over Job Losses in Percent**
	lost jobs.	(40,900); trade, transportation, and utilities (14,400); construction (10,400); educational and health services (9,900); other services (6,500).	(53.5%); other services (30.8%); construction (24.2%); mining and logging (16.3%); information (15.4%).
SMALLEST REGIONS	No data	No data	No data
Ventura	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (17,000); trade, transportation, and utilities (9,600); educational and health services (4,600); professional and business services (3,800); other services (3,000).	Leisure and hospitality (44.2%); other services (30.9%); information (28.3%); trade, transportation, and utilities (16.8%); construction (9.6%).
South Central Coast (Excl. San Benito County)	All 11 industry sectors lost jobs.	Leisure and hospitality (24,500); trade, transportation, and utilities (8,100); educational and health services (5,200); other services (3,600); manufacturing (2,900).	Leisure and hospitality (50.1%); other services (33.6%); mining and logging (27.3%); trade, transportation, and utilities (17.2%); manufacturing (14.0%).
North State	All 11 industry sectors lost jobs.	Leisure and hospitality (12,600); trade, transportation, and utilities (5,000); educational and health services (3,700); government (3,500); other services (2,900).	Leisure and hospitality (46.3%); other services (28.2%); trade, transportation, and utilities (11.8%); professional and business services (11.3%); information (9.9%).
North Central Coast	All 11 industry sectors lost jobs.	Leisure and hospitality (22,500); trade, transportation, and utilities (7,600); educational and health services (3,600); professional and business services (3,400); other services (2,800).	Leisure and hospitality (55.1%); mining and logging (33.3%); other services (27.2%); information (25.0%); construction (23.9%); trade, transportation, and utilities (17.7%).

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Losses in Number**	**Industry Sectors With Largest Year-Over Job Losses in Percent**
North Coast County	10 of 11 industry sectors lost jobs, one (mining and logging) had no change in jobs.	Leisure and hospitality (2,800); trade, transportation, and utilities (1,400); government (1,100); educational and health services (900); manufacturing (600).	Leisure and hospitality (50.0%); manufacturing (27.3%); information (25.0%); other services (20.0%); trade, transportation, and utilities (15.1%).
Middle Sierra	All 11 industry sectors lost jobs.	Leisure and hospitality (3,500); government (1,400); trade, transportation, and utilities (600); manufacturing (500); educational and health services (400).	Leisure and hospitality (50.1%); manufacturing (25.7%); other services (19.1%); construction (14.8%); financial activities (12.0%).

Source: Employment Development Department.

California's Recovery-to-Date

Total Nonfarm Jobs

- California's pandemic-induced recession proved to be short-lived. In early May, California lifted its shelter in place order and began easing restrictions on economic activity through a county-by-county program of tightening or easing public health restrictions based on data-driven criteria linked to the prevalence of the COVID-19 virus itself. For example, restaurants and gyms were initially allowed to reopen provided they offered their services outdoors, and were later allowed to offer indoor services with capacity limitations if the incidence of COVID-19 cases remained low.

- In December 2020, California tightened pandemic restrictions and issued Regional Stay Home Orders in response to surging numbers of COVID-19 cases across the state. These restrictions were lifted in late January 2021 and the state progressively eased restrictions on economic activities thereafter, culminating with the lifting of all remaining public health restrictions and the full reopening of the economy on June 15, 2021.

- California's labor market began recovering with the easing of public health restrictions. In effect, April 2020 marked the end of the pandemic-induced recession and the beginning of the state's recovery.

- California added a total of 1,686,000 nonfarm jobs from April 2020 through August 2021. This was an 11.3 percent increase. The state added jobs in 14 of 16 months during this period, the exceptions being losses of 75,400 and 89,000 jobs in December 2020 and January 2021, when more restrictive public health measures and the Regional Stay Home Order were in effect.[1]

- California has experienced robust job growth over the course of its recovery from the pandemic-induced recession to-date. The state added an average of 105,400 nonfarm jobs per month over the entire course of its 16-month recovery from April 2020 through August 2021. Prior to the pandemic outbreak in February 2020, the state's largest monthly job gain on record was a 98,500-job increase in April 2016 in the official data series going back to the beginning of 1990.

- Total nonfarm jobs grew at a sustained annualized pace of 8.5 percent from April 2020 through August 2021. In contrast, total nonfarm employment grew at an average pace of 2.4 percent per year over the course of the February 2010-February 2020 expansion. Prior to the pandemic, the state's largest year-over job increase on record was a 4.0 percent increase in November 1998.

- Although California has experienced rapid job growth over the course of its recovery-to-date, as of August 2021 it still wasn't close to recovering all the jobs it lost during the February 2020-April 2020 recession. California's total nonfarm employment in August remained 1,028,800 jobs (5.8 percent) below its pre-pandemic level in February 2020. As of August 2021, California had recovered 62.1 percent of the 2,714,800 nonfarm jobs it lost during the pandemic-induced recession. Even if California were able to sustain the robust 105,400 per month average pace of growth of its recovery-to-date, full recovery of the remaining pandemic job losses would not occur until the middle of 2022.

Industry Sector Jobs

- California's job gains during the recovery-to-date have been well distributed across most industry sectors, with nine out of 11 major industry sectors adding jobs from April 2020 through August 2021. However, two sectors—government and mining and logging—lost jobs even as other sectors of the economy were recovering.

- Leisure and hospitality (587,800) had far and away the largest job gain of any sector from April 2020 through August 2021, accounting for over one-third (34.8 percent) of the overall economy's 1,686,000-job gain during the recovery-to-date. Even with this gain, employment in leisure and hospitality in August 2021 remained 397,700 jobs below its pre-pandemic level in February 2020.

- Three additional industry sectors added over 200,000 jobs over the course of the recovery: trade, transportation, and utilities (360,300); professional and business services (220,900); and educational and health services (208,900). Two additional industry sectors added more than 100,000 jobs: construction (139,800) and other services (105,000). Manufacturing (52,200), information (37,200), and financial activities (9,600) were the remaining industry sectors that added jobs.

Table 7

Changes in California Total Nonfarm and Industry Sector Jobs from April 2020 Through August 2021

Seasonally Adjusted Data; Thousands of Jobs

Industries ranked by share of lost jobs recovered.

No data	**April 2020**	**August 2021**	**Change in Number**	**Change in Percent**	**Share of Lost Jobs Lost During Recession Recovered** (As of Aug. 2021)
Total Nonfarm Jobs	**14,946.1**	**16,632.1**	**1,686.0**	**11.3%**	**62.1%**
Trade, Transportation, and Utilities	2,630.2	2,990.5	360.3	13.7%	82.5%
Construction	738.6	878.4	139.8	18.9%	80.0%
Professional and Business Services	2,473.7	2,694.6	220.9	8.9%	74.2%
Educational and Health Services	2,578.1	2,787.0	208.9	8.1%	73.5%
Leisure and Hospitality	1,072.7	1,660.5	587.8	54.8%	59.6%
Other Services	395.3	500.3	105.0	26.6%	53.0%
Information	510.0	547.2	37.2	7.3%	52.3%
Manufacturing	1,206.4	1,258.6	52.2	4.3%	43.0%
Financial Activities	800.2	809.8	9.6	1.2%	19.8%
Mining and Logging	20.4	18.9	-1.5	-7.4%	N/A
Government	2,520.5	2,486.3	-34.2	-1.4%	N/A

Source: Employment Development Department.

Note: N/A indicates that an industry sector has not yet begun to recover recession job losses.

- In contrast to other sectors, government (34,200) and mining and logging (1,500) lost jobs from April 2020 through August 2021. Losses in government in large part reflected the fact that the campuses of many public K-12 schools and colleges and universities remained closed over much of the recovery period, leading to job losses among educational support staff.

- Leisure and hospitality (54.8 percent) had the largest percentage job gain over the course of the April 2020-August 2021 recovery, adding jobs at nearly five times the 11.3 percent rate of the overall economy. Other services (26.6 percent) had the second largest percentage job gain among sectors. Construction (18.9 percent), and trade, transportation, and utilities (13.7 percent) were the other industry sectors that added jobs at a faster rate than the overall economy.

- Two California industry sectors had recovered four-fifths or more of their February 2020-April 2020 job losses as of August 2021: trade, transportation, and utilities (82.5 percent recovery) and construction (80.0 percent). Professional and business services (74.2 percent) and educational and health services (73.5 percent) were the other industry sectors that had recovered a larger share of lost jobs than the 62.1 percent share of the overall economy.

- Three additional California industry sectors had recovered more than half of their pandemic-induced job losses as of August 2021: leisure and hospitality (59.6 percent), other services (53.0 percent), and information (52.3 percent). In contrast, the recovery in manufacturing (43.0 percent) and financial activities (19.8 percent) lagged behind other industry sectors, and mining and logging and government showed net job losses.

- Although no California industry sector had recovered their pandemic job losses as of August 2021, two industry subsectors had achieved full recovery. Transportation, warehousing, and utilities payrolls were 35,800 jobs higher than they were in February 2020, reflecting a rise in online shopping and home delivery during the pandemic and strength in the international trade and logistics fueled by consumer spending. Payrolls in professional, scientific, and technical services were 1,900 jobs higher in August 2021 than in February 2020, suggesting that California's high technology sector continues to be a bright spot in the state's post-COVID economy.

Regional Jobs (Regional Planning Units)

- Unfortunately, the fact that regional jobs data are not seasonally adjusted means they are not suitable for analyzing regional job growth trends over the entire 16-month recovery from April 2020 through August 2021. This analysis instead relies on year-over changes in jobs in August 2021 to compare regional job performance during the ongoing recovery.[2]

- Every California region was recovering from the pandemic-induced recession in August 2021, with each of the 15 regions having positive year-over job gains. Los Angeles Basin (275,300) had the largest year-over job gain among regions, followed by Orange (119,500) and Bay-Peninsula (104,500). Two additional regions had year-over gains of more than 60,000 jobs: Inland Empire (65,700) and Southern Border (62,000). San Joaquin Valley (46,500), Capital (43,700), and East Bay (37,000) were the other regions with year-over job gains of more than 35,000 jobs in August 2021.

- Orange (8.1 percent) had the fastest pace of year-over job growth among regions in August 2021. Los Angeles Basin (6.9 percent) and North Coast County (6.0 percent) were the only other California regions with year-over percentage job gains greater than the overall economy's not seasonally adjusted 5.7 percent job gain.

- Two additional California regions—North Bay (5.1 percent) and Bay-Peninsula (5.0 percent)—had year-over job gains of at least 5.0 percent. Five additional regions had year-over job gains larger than 4.0 percent: Inland Empire (4.5 percent), Middle Sierra (4.5 percent), Southern Border (4.4 percent), Capital (4.3 percent) and Ventura (4.3 percent). Each of the state's five remaining regions had year-over job gains of less than

4.0 percent: North State (3.9 percent), North Central Coast (3.7 percent), San Joaquin Valley (3.6 percent), East Bay (3.5 percent), and South Central Coast (2.8 percent).

[1] As was the case during the recession, the job losses in these two months were heavily concentrated in leisure and hospitality and, to a lesser extent, other services.

[2] Comparing like months of the calendar year is the only effective way to filter seasonal patterns of employment from not seasonally adjusted data. As such, two-year and year-over changes in jobs in August 2021 are the only time frames available that capture the effects of the pandemic impacts on regional employment. Because pandemic-related job losses overwhelm the job gains of the recovery-to-date in August 2019-August 2021 comparisons, year-over changes in jobs in August 2021 provide the best and only option for comparing regional job performance in the ongoing recovery. Unfortunately, this comparison omits a large portion of the jobs that have been gained over the course of the 16-month recovery to-date.

Table 8

Year-Over Changes in Total Nonfarm Jobs in California Regional Planning Units (Regions) During the Last Year of Recovery in August 2021

Not Seasonally Adjusted Data; Thousands of Jobs; August 2021 Data Are Preliminary.

(Regions ranked by percentage change in jobs.)

No data	August 2020	August 2021	Year-Over Change in Number	Year-Over Change in Percent
California (Not Seasonally Adjusted)	15,691.7	16,580.9	889.2	5.7%
LARGEST REGIONS	No data	No data	No data	No data
Orange	1,471.5	1,590.9	119.4	8.1%
Los Angeles Basin	3,972.7	4,248.0	275.3	6.9%
North Bay	529.2	556.4	27.2	5.1%
Bay-Peninsula	2,095.2	2,199.7	104.5	5.0%
Inland Empire	1,459.1	1,524.8	65.7	4.5%
Southern Border	1,396.1	1,458.1	62.0	4.4%
Capital	1,012.0	1,055.7	43.7	4.3%
San Joaquin Valley	1,289.5	1,336.0	46.5	3.6%
East Bay	1,062.5	1,099.5	37.0	3.5%
SMALLEST REGIONS	No data	No data	No data	No data
North Coast County	44.8	47.5	2.7	6.0%
Middle Sierra	42.5	44.4	1.9	4.5%
Ventura	284.1	296.2	12.1	4.3%
North State	227.9	236.7	8.8	3.9%

No data	August 2020	August 2021	Year-Over Change in Number	Year-Over Change in Percent
North Central Coast	221.6	229.8	8.2	3.7%
South Central Coast	282.4	290.4	8.0	2.8%

Source: Employment Development Department.

- Table 9 shows the industry sectors that had the largest year-over job gains in both number and percent in August 2021. Year-over job gains were widely distributed across most industry sectors in every region of the state, but concentrated in leisure and hospitality and other services; the two sectors most directly affected by public health restrictions to mitigate the spread of the COVID-19 pandemic are now leading California's recovery now that these restrictions have been eased.

Table 9

Industry Sectors With the Largest Year-Over Job Gains in Number and Percent by California Region (Regional Planning Unit) in August 2021

Not Seasonally Adjusted Data

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Gains in Number**	**Industry Sectors With Largest Year-Over Job Gains in Percent**
LARGEST REGIONS (RPUs)	No data	No data	No data
Los Angeles Basin	9 industry sectors added jobs; one (manufacturing) lost jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (108,800); trade, transportation, and utilities (35,100); educational and health services (34,400); professional and business services (32,000); government (27,500).	Leisure and hospitality (31.3%); other services (15.3%); information (11.3%); professional and business services (5.5%); government (5.2%).
Bay-Peninsula	8 industry sectors added jobs; two lost jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (47,300); professional and business services (25,000); other services (14,200); educational and health services (10,900); information (8,800).	Leisure and hospitality (35.2%); other services (29.7%); professional and business services (4.9%); information (4.1%); educational and health services (3.6%).
Orange	9 industry sectors added jobs; one (financial activities) lost jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (66,000); professional and business services (20,400); trade, transportation, and utilities (11,200); other	Leisure and hospitality (47.8%); other services (20.4%); professional and business services (6.8%); trade, transportation, and

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Gains in Number**	**Industry Sectors With Largest Year-Over Job Gains in Percent**
		services (8,000); government (6,700).	utilities (4.7%); government (4.6%).
Inland Empire	7 industry sectors added jobs; three lost jobs and one (mining and logging) had no change in jobs.	Trade, transportation, and utilities (25,400); leisure and hospitality (20,100); educational and health services (13,900); professional and business services (7,700); other services (5,000).	Leisure and hospitality (15.7%); other services (13.8%); trade, transportation, and utilities (6.2%); educational and health services (5.7%); professional and business services (5.1%); information (4.7%).
Southern Border	8 industry sectors added jobs; two lost jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (31,600); other services (9,800); construction (8,900); professional and business services (6,100); educational and health services (5,500).	Other services (24.4%); leisure and hospitality (23.2%); construction (10.7%); information (5.6%); educational and health services (2.6%).
San Joaquin Valley	8 industry sectors added jobs; three lost jobs.	Leisure and hospitality (23,500); trade, transportation, and utilities (8,400); professional and business services (5,700); manufacturing (4,300); other services (4,000).	Leisure and hospitality (22.3%); other services (11.7%); professional and business services (5.0%); construction (4.9%) information (4.2%).
East Bay	8 industry sectors added jobs; two lost jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (14,100); professional and business services (12,500); educational and health services (7,000); other services (5,100).	Leisure and hospitality (18.8%); other services (17.1%); professional and business services (6.9%); educational and health services (3.8%).
Capital	10 industry sectors added jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (11,800); construction (8,700); other services (5,700); professional and business services (5,600); trade, transportation, and utilities (4,600).	Other services (19.7%); leisure and hospitality (14.3%); construction (11.7%); professional and business services (4.1%); information (4.1%).
North Bay	10 industry sectors added jobs; One	Leisure and hospitality (13,100); educational	Leisure and hospitality (25.1%); other services

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Gains in Number**	**Industry Sectors With Largest Year-Over Job Gains in Percent**
	(government) lost jobs.	and health services (4,500); professional and business services (3,600); other services (2,500); construction (2,400); trade, transportation, and utilities (2,000).	(15.6%); information (8.9%); professional and business services (6.3%); construction (5.8%); mining and logging (5.7%).
SMALLER REGIONS (RPUs)	No data	No data	No data
Ventura	10 industry sectors added jobs; one (mining and logging) had no change in jobs.	Leisure and hospitality (5,100); professional and business services (1,700); manufacturing (1,100); trade, transportation, and utilities (1,000); other services (1,000).	Leisure and hospitality (17.8%); other services (13.5%); information (5.6%); financial activities (4.5%); manufacturing (4.3%).
South Central Coast (Excl. San Benito County)	8 industry sectors added jobs; two lost jobs; one (mining and logging) had no change in jobs.	Professional and business services (3,600); leisure and hospitality (3,200); other services (1,200); manufacturing (800); trade, transportation, and utilities (800).	Other services (15.0%); leisure and hospitality (9.0%); professional and business services (8.4%); information (6.1%); manufacturing (4.2%).
North State	All 11 industry sectors added jobs.	Leisure and hospitality (2,300); educational and health services (2,300); government (1,200); trade, transportation, and utilities (800); construction (600).	Information (17.2%); leisure and hospitality (10.6%); mining and logging (8.3%); other services (5.9%); educational and health services (4.8%).
North Central Coast	8 industry sectors added jobs; three lost jobs.	Leisure and hospitality (7,100); other services (900); construction (700); professional and business services (700); educational and health services (600).	Mining and logging (50.0%); leisure and hospitality (26.0%); information (16.7%); other services (10.6%); construction (6.4%).
North Coast County	9 industry sectors added jobs, two had no change in jobs.	Leisure and hospitality (600); government (600); professional and business services (300); educational and health	Mining and logging (25.0%); leisure and hospitality (14.6%); other services (10.5%); manufacturing (9.5%); professional and

No data	**Summary**	**Industry Sectors With Largest Year-Over Job Gains in Number**	**Industry Sectors With Largest Year-Over Job Gains in Percent**
		services (300).	business services (8.8%); construction (8.7%).
Middle Sierra	10 industry sectors added jobs; one (information) had no change in jobs.	Leisure and hospitality (900); construction (300); manufacturing (300); trade, transportation, and utilities (200).	Mining and logging (15.6%); leisure and hospitality (15.3%); manufacturing (13.6%); construction (10.9%); other services (8.3%).

Source: Employment Development Department.

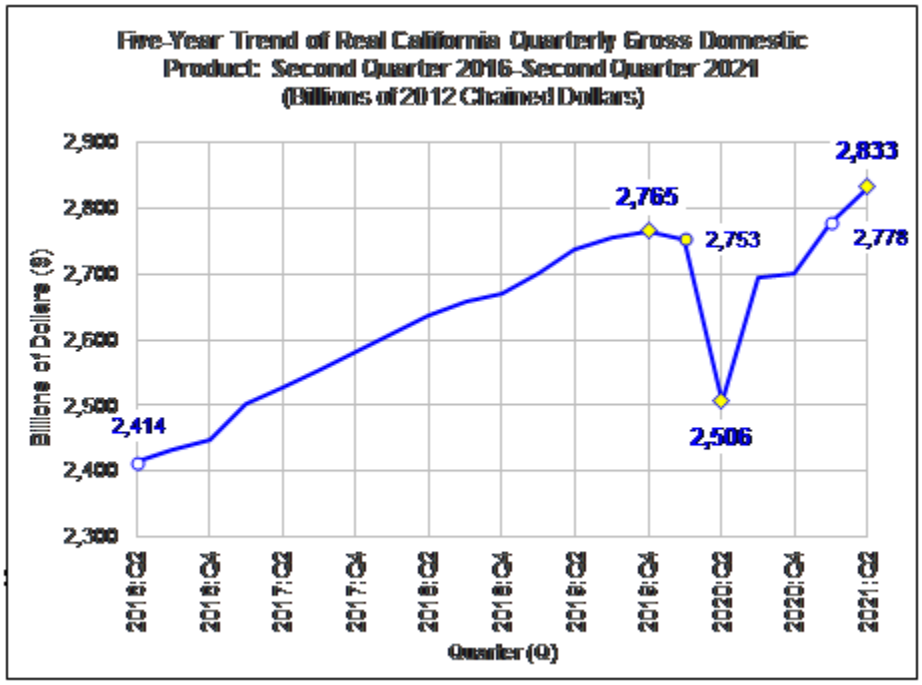
California Gross Domestic Product

- According to the U.S. Bureau of Economic Analysis, California's real GDP, as measured in chained 2012 dollars, totaled $2.8 trillion in the second quarter of 2021. California had by far the largest economy of any state in the country. Texas's $1.8 trillion real GDP ranked a distant second among states. California alone accounted for nearly one-seventh (14.6 percent) of the U.S. GDP, which totaled $19.4 trillion in the second quarter of 2021.

- Financial activities contributed the most to California's real GDP in the second quarter of 2021, with a 16.6 percent share of total GDP. The real estate and rental and leasing subsector alone accounted for 11.9 percent of total GDP. Professional and business services share of total GDP was 15.5 percent, with the professional, scientific, and technical services subsector alone contributing a 10.4 percent share to total GDP. Information (14.3 percent); trade, transportation, and utilities (14.0 percent); manufacturing (13.4 percent); and government (10.3 percent) were the other major industry sectors that contributed more than 10 percent shares to California's total real GDP in the second quarter of 2021.

- The pandemic had a large negative impact on real GDP in California, but the economy has since recovered. From the second quarter of 2016 through the first quarter of 2020, California's real GDP grew by $330 billion in value and grew at a steady annualized rate of 4.0 percent per year.

Figure 2



Source: U.S. Bureau of Economic Analysis (BEA)

- Real GDP fell by $247 billion in the second quarter of 2020 following the outbreak of the pandemic and the partial closure of the economy to mitigate its spread. This was a 9.0 percent loss of real GDP in a single quarter. In effect, in a single quarter the pandemic erased three-quarters of the GDP gain that had accumulated over the previous 15 quarters. However, real GDP rose sharply in the third quarter of 2020 after pandemic restrictions in the state were eased, growing by $188 billion, and increased by an additional $139 billion dollars from the third quarter of 2020 through the second quarter of 2021. California's real GDP in the second quarter of 2021 was $68 billion higher than it was in the fourth quarter of 2019, and it appeared to have returned to its longer run growth trajectory.

- California's real GDP grew by $419 billion over the five-year period from the second quarter of 2016 through the second quarter of 2021. Information was the leading contributor to this increase, growing by $152.3 billion. Professional and business services increased by $108.0 billion, with two-thirds of this increase coming from the professional, scientific, and technical services subsector. Manufacturing's contribution to overall GDP increased by $93.8 billion over this five-year period, with durable goods manufacturing accounting for over three-fifths (62.2 percent) of this gain. Financial activities ($53.2 billion) was the only other California industry sector to grow by more than $50 billion.

- In percentage terms, California's real GDP grew by 17.3 percent from the second quarter of 2016 through the second quarter of 2021. Information (60.4 percent) had the largest increase among industry sectors and subsectors over this period, followed by management of companies and enterprises (50.8 percent). The contributions of three additional industry subsectors increased by more than 30 percent: durable goods manufacturing (33.7 percent); professional, technical, and scientific services (31.8 percent); and nondurable goods manufacturing (31.2 percent). Administrative and support and waste management and remediation services (26.1 percent), finance and

insurance (25.6 percent), utilities (19.6 percent), and health care and social assistance (17.9 percent) were the other industry subsectors that grew at a faster rate than overall real GDP.

- At the opposite end of the spectrum, the contributions of seven industry subsectors to overall real GDP decreased from the second quarter of 2016 through the second quarter of 2021. Five subsectors had decreases of more than 10.0 percent: mining, quarrying, and oil and gas extraction (down 21.6 percent); arts, entertainment, and recreation (18.4 percent); accommodation and food services (17.8 percent); military (12.7 percent); and agriculture, forestry, fishing, and hunting (11.8 percent). Other services (9.0 percent) and educational services (5.5 percent) also had decreases. The decreases in most of these subsectors appear to reflect lingering effects from the COVID-19 pandemic. Prior to the pandemic, five of these seven subsectors had positive contributions to California's real GDP over the five year period ending on the fourth quarter of 2020. Military and mining, quarrying, and oil and gas extraction were the two exceptions.

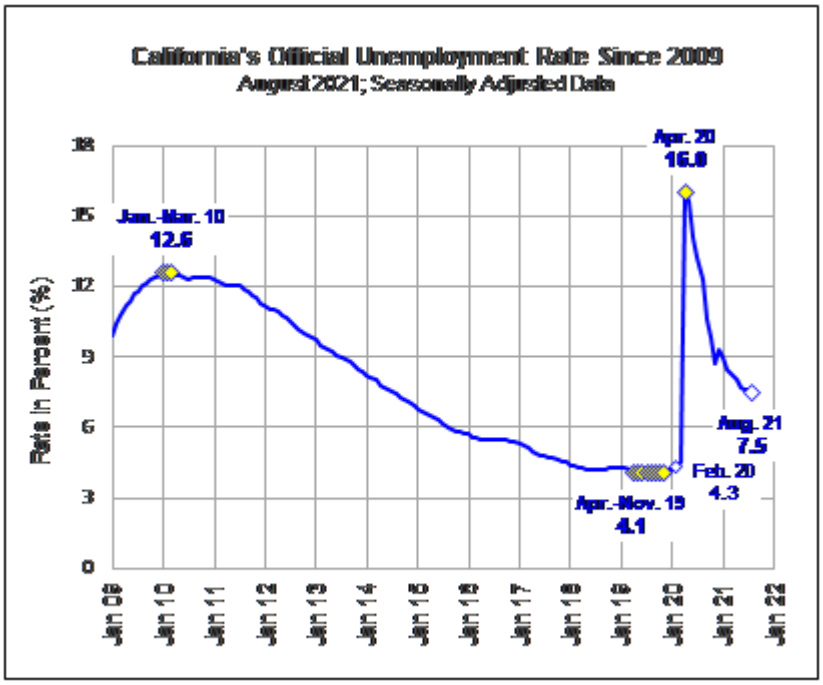
Unemployment in California

Statewide

- At the beginning of California's 10-year employment expansion in February 2010, California's unemployment rate stood at 12.6 percent, tying January 2010 and March 2010 for what was then California's highest unemployment rate on record in the official data series that dates back to the beginning of 1976. California's unemployment rate fell steadily over the course of its 10-year expansion. By June 2017, California's 4.8 percent unemployment rate equaled what was then a record low, and in August 2017, the state's 4.7 percent unemployment entered record low territory. The rate continued to fall thereafter as the expansion progressed and bottomed out at a record low of 4.1 percent in April-November 2019 before inching up to 4.3 percent in February 2020.

- California experienced an unprecedented spike in unemployment after the outbreak of the COVID-19 pandemic. Although California's unemployment rate rose by a modest 0.2 percentage point to 4.5 percent in March 2020, this was the state's largest rate increase since October 2009, when the economy was still in a recession. The unemployment rate rose precipitously to a record shattering 16.0 percent in April 2020. In just a two-month period following the outbreak of the pandemic, California's unemployment rose by 11.7 percentage points from a near record low to a record high. To put the magnitude of this increase into perspective, during the Great Recession, California experienced a trough-to-peak unemployment rate increase of 7.7 percentage points from January 2007 through January 2010.

Figure 3



Source: Employment Development Department.

- California's unemployment rate began to fall sharply and swiftly from its April 2020 peak after the state began easing pandemic restrictions and re-opening its economy. From April 2020 through August 2021, the rate fell in 14 out of 16 months, decreasing by 8.5 percentage points over the period. The only exceptions were a 0.6 percentage point increase in December 2020 when stricter public health restrictions were in place and no change in July 2021. Despite this improvement, California's 7.5 percent unemployment rate in August 2021 was 3.2 percentage points higher than its pre-pandemic level in February 2020.

- During the Great Recession, the number of unemployed Californians peaked at 2,286,000 persons in October 2010 and fell steadily over the course of the February 2010-February 2020 expansion. By June 2019, civilian unemployment had fallen to 785,000 persons, which was a 27-year low. Although unemployment inched up to 845,000 persons by February 2020, it was still at a level the state had not experienced since the latter stages of its May 1993-January 2001 economic expansion.

- The pandemic changed everything. Following its outbreak and the imposition of strict public health restrictions to mitigate its spread, the number of unemployed Californians surged from 845,000 persons in February 2020 to 2,966,000 persons in April 2020. This was a 2,121,000-person increase over two months. All but 19,000 persons of this increase occurred in month of April 2020 alone. To put this increase into perspective, over the course of the Great Recession, the number of unemployed Californians increased by 1,425,000 persons over a four-year period from October 2006 through October 2010.

- The number of unemployed fell sharply from its April 2020 peak after the state began easing pandemic restrictions and re-opening its economy. Civilian unemployment fell from 2,966,000 persons in April 2020 to 1,432,000 persons in August 2021, which was a 1,534,000-person decrease. Despite this improvement, there were 587,000 more unemployed Californians in August 2021 than there were before the pandemic in February 2020.

Regional Unemployment Rates

- Because regional unemployment rates are not seasonally adjusted, the only way to effectively control for seasonality to compare changes in the data over time is to compare like months of the calendar year. Although this is no obstacle in analyzing unemployment trends over the course of the February 2010-February 2020 expansion, it does present a problem when looking at regional unemployment rates during the pandemic-induced recession and subsequent recovery.

- At the beginning of the expansion in February 2010, the not seasonally adjusted unemployment rates of California's 15 regions ranged from a low of 10.2 percent in Orange to a high of 18.6 percent in San Joaquin Valley.

Table 10

Unemployment Rates in California Regional Planning Units (Regions) During the February 2010-February 2020 Expansion

Not Seasonally Adjusted Data

(Regions ranked by percentage change in unemployment rates.)

No data	**February 2010**	**February 2020**	**10-Year Change**
CALIFORNIA (Not Seasonally Adjusted)	13.0%	4.3%	-8.7%
LARGEST REGIONS	No data	No data	No data
Orange	10.2%	2.8%	-7.4%
Bay-Peninsula	10.4%	2.4%	-8.0%
Los Angeles Basin	12.7%	4.7%	-8.0%
Southern Border	12.0%	3.8%	-8.2%
East Bay	11.4%	3.0%	-8.4%
North Bay	11.9%	3.3%	-8.6%
Capital	13.8%	4.2%	-9.6%
San Joaquin Valley	18.6%	8.4%	-10.2%
Inland Empire	14.3%	3.9%	-10.4%
SMALLEST REGIONS	No data	No data	No data
South Central Coast	10.7%	3.9%	-6.8%

No data	**February 2010**	**February 2020**	**10-Year Change**
Ventura	11.4%	3.7%	-7.7%
North Coast County	11.6%	3.8%	-7.8%
North Central Coast	17.5%	8.7%	-8.8%
North State	16.7%	5.6%	-11.1%
Middle Sierra	16.2%	4.7%	-11.5%

Source: Employment Development Department.

- Six regions had unemployment rates that were higher than California's not seasonally adjusted rate of 13.0 percent in February 2010: San Joaquin Valley (18.6 percent), North Central Coast (17.5 percent), North State (16.7 percent), Middle Sierra (16.2 percent), Inland Empire (14.3 percent), and Capital (13.8 percent). Only three regions had unemployment rates below 11.0 percent: South Central Coast (10.7 percent), Bay-Peninsula (10.4 percent), and Orange (10.2 percent).

- Regional unemployment rates fell substantially in all regions of the state over the course of the expansion. By its end in February 2020, regional unemployment rates ranged from a low of 2.4 percent in Bay-Peninsula to a high of 8.7 percent in North Central Coast. Two regions—Bay-Peninsula (2.4 percent) and Orange (2.8 percent)—had unemployment rates below 3.0 percent. Seven additional regions had unemployment rates below 4.0 percent: East Bay (3.0 percent), North Bay (3.3 percent), Ventura (3.7 percent), Southern Border (3.8 percent), North Coast County (3.8 percent), Inland Empire (3.9 percent), and South Central Coast (3.9 percent).

- Every California region had an unemployment rate decrease of at least 6.8 percentage points from February 2010 through February 2020. Four regions had 10-year unemployment rate decreases of 10.0 percentage points or more: Middle Sierra (11.5 percent), North State (11.1 percent), Inland Empire (10.4 percent), and San Joaquin Valley (10.2 percent). Two additional regions—Capital (9.6 percent) and North Central Coast (8.8 percent) —had 10-year unemployment rate decreases greater than the state's 8.7 percentage point decrease. Only four regions had 10-year unemployment rate decreases of less than 8.0 percentage points: North Coast County (7.8 percent), Ventura (7.7 percent), Orange (7.4 percent), and South Central Coast (6.8 percent).

- Because not seasonally adjusted regional unemployment data, which require comparing like months of the calendar year to control for seasonality, are not well suited for analyzing the time frames of the February 2020-April 2020 pandemic-induced recession or the April 2020-August 2021 recovery-to-date, year-over unemployment rate changes in April 2020 and August 2021 are the most effective way to compare regional unemployment rate trends during the pandemic-induced recession and recovery, respectively.

- All regions of California experienced a sharp spike in unemployment as a result of the COVID-19 pandemic. At the peak of the pandemic-induced recession in April 2020, the

not seasonally adjusted unemployment rates among California's regions ranged from a low of 12.4 percent in Bay-Peninsula to a high of 18.5 percent in North Central Coast. The April 2020 unemployment rate in each region of the state was the highest ever recorded for the month of April in a data series extending back to the beginning of 1990.

- Five California regions had higher unemployment rates than the state's not seasonally adjusted rate of 16.0 percent in April 2020: North Central Coast (18.5 percent), Los Angeles Basin (18.2 percent), San Joaquin Valley (17.9 percent), Middle Sierra (16.8 percent), and Southern Border (16.5 percent). Four additional regions had unemployment rates above 15.0 percent: North State (15.5 percent), Inland Empire (15.2 percent), North Bay (15.2 percent), and North Coast County (15.2 percent). Only six of California's 15 regions had unemployment rates of less than 15.0 percent: East Bay (14.8 percent), Capital (14.7 percent), Ventura (14.5 percent), Orange (14.4 percent), South Central Coast (14.3 percent), and Bay-Peninsula (12.4 percent).

Table 11

Year-over Unemployment Rates in California Regional Planning Units (Regions) at the Height of the Pandemic-Induced Recession in April 2020 and During the Recovery in August 2021

Not Seasonally Adjusted Data

(Regions ranked by year-over percentage change in unemployment rates.)

No data	April 2019	April 2020	Year-Over Change
CALIFORNIA (Not Seasonally Adjusted)	3.9%	16.0%	12.1%
LARGEST REGIONS	No data	No data	No data
Los Angeles Basin	4.1%	18.2%	14.1%
Southern Border	3.5%	16.5%	13.0%
North Bay	2.9%	15.2%	12.3%
East Bay	2.7%	14.8%	12.1%
Orange	2.5%	14.4%	11.9%
Inland Empire	3.6%	15.2%	11.6%
Capital	3.8%	14.7%	10.9%
San Joaquin Valley	7.5%	17.9%	10.4%
Bay-Peninsula	2.2%	12.4%	10.2%
SMALLEST REGIONS	No data	No data	No data
Middle Sierra	4.1%	16.8%	12.7%
North Central Coast	6.5%	18.5%	12.0%
North Coast County	3.5%	15.2%	11.7%

No data	April 2019	April 2020	Year-Over Change
North State	5.0%	15.5%	10.5%
South Central Coast	3.1%	14.3%	11.2%
Ventura	3.2%	14.5%	11.3%
No data	August 2020	August 2021	Year-Over Change
CALIFORNIA (Not Seasonally Adjusted)	12.3%	7.5%	-4.8%
LARGEST REGIONS	No data	No data	No data
San Joaquin Valley	12.0%	9.1%	-2.9%
Capital	10.0%	6.6%	-3.4%
North Bay	9.3%	5.8%	-3.5%
Bay-Peninsula	8.6%	4.8%	-3.8%
Inland Empire	11.5%	7.6%	-3.9%
East Bay	10.5%	6.3%	-4.2%
Southern Border	11.4%	7.2%	-4.2%
Orange	10.7%	6.0%	-4.7%
Los Angeles Basin	17.5%	9.7%	-7.8%
SMALLEST REGIONS	No data	No data	No data
North Central Coast	9.0%	6.5%	-2.5%
North State	9.0%	6.5%	-2.5%
South Central Coast	8.4%	5.5%	-2.9%
Middle Sierra	9.4%	6.4%	-3.0%
North Coast County	9.4%	6.1%	-3.3%
Ventura	9.8%	6.2%	-3.6%

Source: Employment Development Department.

Pandemic-Induced Recession

- Each of the state's 15 regions had a year-over unemployment rate increase of at least 10.0 percentage points in April 2020. Los Angeles Basin (14.1 percent) had the largest year-over rate increase and Bay-Peninsula (10.2 percent) had the smallest. Five regions had year-over rate increases equal to or higher than the state's 12.1 percentage point increase: Los Angeles Basin (14.1 percent), Southern Border (13.0 percent), Middle Sierra (12.7 percent), North Bay (12.3 percent), and East Bay (12.1 percent). Only four California regions had year-over unemployment rate increases of less than 11.0 percentage points: Capital (10.9 percent), North State (10.5 percent), San Joaquin Valley (10.4 percent), and Bay-Peninsula (10.2 percent).

- The pandemic caused a large spike in unemployment across regions despite their differences in size, industry mix, and urban or rural orientation. This suggests that the pandemic, or perhaps more accurately the public health measures that were adopted to slow its spread, was the primary driver of the spike in unemployment. In a normal labor market, economic factors would underlie increases in unemployment and regions would exhibit different patterns of unemployment.

- Every California region has seen a substantial improvement in their unemployment rates over the course of the recovery-to-date. In August 2021, regional unemployment rates ranged from a low of 4.8 percent in Bay-Peninsula to a high of 9.7 percent in Los Angeles Basin. Only two regions—Los Angeles Basin (9.7 percent) and San Joaquin Valley (9.1 percent) had not seasonally adjusted unemployment rates above 9.0 percent. Only two additional regions—Inland Empire (7.6 percent) and Southern Border (7.2 percent)—had rates above 7.0 percent. California's 11 remaining regions each had unemployment rates below 7.0 percent, including three with rates below 6.0 percent—North Bay (5.8 percent), South Central Coast (5.5 percent), and Bay-Peninsula (4.8 percent).

- Every California region experienced a substantial year-over decrease in their unemployment rate in August 2021. Los Angeles Basin (7.8 percentage points) had the largest year-over decrease and was the only region to have a larger decrease than the state's overall not seasonally adjusted year-over decrease of 4.8 percentage points. Three additional regions had year-over rate decreases of between 4.0 and 5.0 percentage points: Orange (4.7 percent), Southern Border (4.2 percent), and East Bay (4.2 percent). Only four regions had year-over rate decreases of less than 3.0 percentage points: San Joaquin Valley (2.9 percent), South Central Coast (2.9 percent), North State (2.5 percent), and North Central Coast (2.5 percent).

- Although the state's smallest regions tended to have smaller year-over rate decreases than most of the state's largest regions, each of the state's six smallest regions had not seasonally adjusted unemployment rates of 6.5 percentage points or less in August 2021, compared to just four of the state's nine largest regions.

<u>Effects of the COVID-19 Pandemic on California's Labor Market</u>

- The COVID-19 pandemic and the public health restrictions that were necessary to mitigate its spread abruptly ended California's 10-year employment expansion in February 2020 and disrupted labor markets throughout the state, resulting in unprecedented job losses that spanned all industry sectors and spikes in unemployment that spanned all regions. California's labor markets began to recover quickly from April 2020 forward as these restrictions were eased and eventually lifted. However, California still had a long way to go to achieve full recovery as of August 2021.

- Although pandemic-related job losses were widespread across industry sectors, they were concentrated in the leisure and hospitality and other services sectors and in industries in other sectors that involve a large degree of interpersonal contact, in which people congregate, or which have a strong travel and tourism orientation. In addition to public wariness about these sorts of interactions in the midst of a pandemic, these same industry sectors and industries were most directly targeted by public health measures

that initially shutdown all but nonessential services, which also established longer duration limitations and social distancing requirements on indoor activities. Travel and tourism ground to a near halt in the immediate aftermath of the pandemic outbreak as a result of the general public's trepidation about the coronavirus and the imposition of travel restrictions and other limitations on people's movement.

- In contrast, industries that provide essential goods and services to the general public remained open throughout the pandemic. Employment in these industries, as well as those most amenable to remote work, or telework, were less directly impacted by the pandemic. However, front-line workers in essential industries such as health care, retail (including grocery stores), and agriculture tended to face much greater risks of being exposed to COVID-19 than did remote workers.

- The end of the pandemic-induced recession and subsequent recovery corresponds in time to when the shutdown of nonessential services was lifted, and public health restrictions on interpersonal interactions and public movement were eased and eventually lifted. Job gains over the course of the April 2020-August 2021 recovery were also widespread across all industry sectors except government and mining and logging, but concentrated in those industry sectors that fared the worst during the pandemic-induced recession.

- At the regional level, pandemic-related job losses were widespread across all industry sectors in every region. Job gains during the recovery were widespread across most industry sectors across regions. Similarly, every region of the state experienced a sharp spike in their unemployment rate during the pandemic-induced recession followed by substantial rate decreases over the course of the recovery. Differences among regions were largely a matter of degree. Generally speaking, the pattern of regional employment and unemployment have mirrored those in the state as a whole during the pandemic.

- In summary, the COVID-19 pandemic has driven California's cycle of recession and recovery since February 2020, not basic fundamentals within the economy and labor market. The current business cycle is unique in this respect. In the absence of evidence to the contrary, the pre-pandemic situation remains the best depiction of the "normal" labor market.

- It is not as yet clear whether or not the COVID-19 pandemic will have lasting impacts on the labor market itself. This is in large part due to the fact that the pandemic itself is not yet over or under control, as evidenced by the late summer of 2021 surge in the number of COVID-19 cases in some parts of the United States that were fueled by the Delta variant. Moreover, any lasting effects of the pandemic will only be revealed in hindsight. Nevertheless, it seems reasonable to assume that the longer the pandemic persists, the more lasting its impacts will be.

- There does not as yet appear to be conclusive evidence that the pandemic has changed the dynamics of the labor market in any fundamental sense. However, it does appear to have accelerated some trends that were already developing and caused segments of the

labor market to fall out of alignment. Common themes about the effect in any fundamental sense of the pandemic on the labor market, distilled from numerous media reports and economic forums over the course of the pandemic, yields the following observations about the pandemic's impacts on the labor market to-date:

- The share of online shopping and home delivery in consumer spending, already increasing over time, has surged over the course of the pandemic and shows little sign of abating.

- The number and share of remote workers, or teleworkers, in the workforce has expanded substantially over the course of the pandemic. This has had beneficial follow-on implications for traffic congestion and emissions. Looking forward, it is not clear how much of this movement towards remote work will be permanent or how much will be transitory. Many observers believe that hybrid remote work/in-office work arrangements will become the norm in many industries.

- The expansion of remote work has weakened the traditional bonds between where people live and work, fueling an outmigration of many remote workers, particularly those with young families, from the urban core to more remote suburbs and exurbs where more spacious and plentiful housing options are available. This trend has in turn led to rising rents and home prices in more outlying urban areas as well as increased demand for goods and services in these areas. However, there is no consensus as to how long this trend will continue. Many expect a counter trend back to the urban core will develop over time.

- Nationally, there has been an increase in the number of baby boomers who have retired during the pandemic. This surge in part reflects that older individuals are the most at-risk segment of the population to the COVID-19 virus. Rising home equity values may have also contributed to this surge in retirement by providing many older workers greater financial security in retirement.

- Consumer spending, in part fueled by transfer payments from the federal government, has shifted away from services—many of the providers of which were shuttered or had to limit operations during the pandemic—to durable goods over the course the pandemic. This trend is expected to reverse now that the economy has reopened and federal assistance is waning.

- Strong consumer spending and demand for durable goods, combined with temporary closures of production facilities and ports either home or abroad, have contributed to persistent supply chain bottle necks within the economy, creating delays in goods procurement and production and contributing to inflation within the general economy. Rather than proving to be transitory, supply chain difficulties appear to have grown and worsened over the course of the recovery. The apparent cracks that the pandemic has revealed in the global just-in-time goods production and delivery model have led some observers to believe that global supply chains will be re-organized over time. This may

involve some re-shoring of activities that are currently performed abroad over the long term.

- Widespread worker shortages have been reported in many industries during the recovery, including the hard hit restaurant industry. These shortages have persisted even as wages have risen and unemployment remains elevated with respect to pre-pandemic levels. Among the more prominently cited contributing factors to labor shortages were: a continued reluctance among some workers to take jobs in which they are at higher risk of contracting COVID-19 and child and dependent care constraints, particularly for women in low income households, that were exacerbated by school campus closures. Some observers contend that federal pandemic assistance created disincentives for unemployed workers to seek work, particularly in low wage industries. However, the counter-argument to this claim is that this assistance provided many low-wage workers the opportunity to seek out jobs with better pay and working conditions rather than take the first job made available to them. Whatever the myriad causes, the pandemic appears to have caused a misalignment between labor demand and supply in parts of the labor market that will only be resolved over time.

- Although the pandemic does not appear to have changed fundamental inequalities within the labor market, it has exacerbated existing ones. For example, leisure and hospitality and other services, the two sectors hardest hit by the pandemic, are low wage industries with workforces that tend to be less well educated and skilled and disproportionately young and female. In contrast, the remote workers who escaped the pandemic-induced recession comparatively unscathed tend to work in high wage industries that have workforces that are more educated and skilled, and disproportionately older and male.

Unemployment Rates of Demographic Groups in California

- According to the United States (U.S.) Bureau of Labor Statistics (BLS), labor market differences among the race and ethnicity groups are associated with many factors, not all of which are measurable. These factors include variations in educational attainment across the groups; the occupations and industries in which the groups work; the geographic areas of the country in which the groups are concentrated, including whether they tend to reside in urban or rural settings; and the degree of discrimination encountered in the workplace.

- Across all of California's demographic groups, the unemployment rates have decreased over the past year. The unemployment rates of demographic groups are calculated differently from the official unemployment rate in that they are derived solely from the U.S. Census Bureau's Current Population Survey (CPS) data and calculated on a 12-month average basis in order to minimize the statistical variability associated with California's comparatively small CPS sample size.

- According to these 12-month average CPS data, over the nine years ending in August 2021, California's unemployment rate decreased by 2.4 percentage points. The largest unemployment rate decrease of any demographic group was among youths aged 16 to 19 years old, whose unemployment rate fell 17.7 percentage points from August 2012 through August 2021, or from 35.4 percent to 17.7 percent. In contrast, among

Californians who had a bachelor's degree or higher, this group had a far lower unemployment rate over the nine years ending in August 2021. This demographic group fell by 0.4 percentage point, or from 6.2 percent to 5.8 percent. A summary of unemployment rate trends among key demographic groups follows.

- The unemployment rate for men fell 2.6 percentage points between August 2012 and August 2021. The rate for women fell 2.2 percentage points over the same period. Whereas the unemployment rate for men ticked up 0.5 percentage point between August 2020 and August 2021, it fell by 0.3 percentage point among women.

- Over the time periods examined, younger workers tended to have substantially higher unemployment rates than older workers. The 17.7 percentage point unemployment rate decrease among teens aged 16 to 19 years old from August 2012 to August 2021 was the largest among age cohorts, followed by the 3.1 percentage point decrease among younger workers between the ages of 20 and 24 years old. In contrast, the unemployment rate for Californians between the ages of 55 and 64; and 65 and over fell by 1.3 percentage points over the same period of time.

- The unemployment rate among native-born workers tended to be higher than that of foreign-born workers over the August 2012 through August 2021 period. Among foreign-born workers, the unemployment rate of naturalized U.S. citizens was consistently lower than that of foreign-born workers that were not U.S. citizens. The unemployment rates across national origin groups fell substantially between August 2012 and August 2021 with percentage point declines ranging from 1.1 (foreign-born, naturalized U.S. citizen) to 4.1 (foreign-born, not a U.S. citizen) over the period.

- The unemployment rates of Black and Hispanic/Latino workers tended to be higher than those of White and Asian workers over the August 2012 through August 2021 period. However, Black and Hispanic/Latino workers experienced larger decreases in their respective unemployment rates than White and Asian workers over that period of time. Between August 2020 and August 2021, the unemployment rates among Black and Hispanic/Latino workers increased by 2.7 and 0.4, respectively. This differs from the nominal gain in the unemployment rate experienced by White workers (0.1 percentage point) and the decline among Asian workers (0.4 percentage point).

- The BLS found that the unemployment rates for people at each level of educational attainment have, in general, moved in tandem with the business cycle. Between August 2012 and August 2021, the largest unemployment rate decrease occurred among Californians with less than a high school diploma (6.6 percentage points), followed by high school graduates, with no college experience (2.2 percentage points), and those who had some college experience, but no degree (2.0 percentage points). In contrasts, the unemployment rate among Californians with an associate degree fell by 0.9 percentage point and Californians with a bachelor's degree or higher fell by 0.4 percentage point over the nine years ending in August 2021.

- The unemployment rate among Californians with disabilities fell by 4.6 percentage points between August 2012 and August 2021. However, the unemployment rate for this demographic group of workers increased by 5.4 percentage points, the largest percentage point gain of any of the demographic groups between August 2020 and August 2021.

- The unemployment rate among California's veterans fell from 9.1 percent in August 2012 to 6.6 percent in August 2021; a decrease of 2.5 percentage points. A larger decrease over the period than the one experienced by non-veterans (2.4 percentage points). Between August 2020 and August 2021, the unemployment rate for the State's veterans declined by 0.8 percentage point, while the unemployment rate increased for non-veterans (0.1 percentage point) over that period of time.

Table 12

Unemployment Rates by Demographic Group in California

(Unemployed as a Percent of the Labor Force, 12-Month Average of Current Population Survey Data)

	August 2012	**August 2020**	**August 2021**	**Net Percentage Point Change August 2012 to August 2021**	**Year-Over Percentage Point Change August 2020 to August 2021**
All Groups, Age 16 and Over	10.9%	8.3%	8.5%	-2.4	0.2
no data	no data	no data	no data	no data	no data
Gender	no data	no data	no data	no data	no data
Male	10.9%	7.8%	8.3%	-2.6	0.5
Female	10.8%	8.9%	8.6%	-2.2	-0.3
no data	no data	no data	no data	no data	no data
Age	no data	no data	no data	no data	no data
16 to 24	20.8%	15.7%	14.5%	-6.3	-1.2
16 to 19	35.4%	21.5%	17.7%	-17.7	-3.8
20 to 24	16.4%	13.8%	13.3%	-3.1	-0.4
25 to 34	10.6%	8.7%	8.8%	-1.7	0.2
35 to 44	8.8%	6.6%	7.0%	-1.8	0.4
45 to 54	8.6%	6.8%	6.8%	-1.8	0.0
55 to 64	8.9%	6.9%	7.7%	-1.3	0.8
65 and over	9.6%	8.1%	8.3%	-1.3	0.2
no data	no data	no data	no data	no data	no data

	August 2012	August 2020	August 2021	Net Percentage Point Change August 2012 to August 2021	Year-Over Percentage Point Change August 2020 to August 2021
National Origin	no data	no data	no data	no data	no data
Native-Born	10.9%	8.3%	8.6%	-2.3	0.3
Foreign-Born	10.8%	8.3%	8.1%	-2.7	-0.3
Foreign Born, Naturalized U.S. Citizen	8.9%	7.1%	7.8%	-1.1	0.7
Foreign Born, Not a U.S. Citizen	12.5%	9.6%	8.3%	-4.1	-1.3
no data					
Race	no data	no data	no data	no data	no data
White	10.6%	8.0%	8.2%	-2.4	0.1
Black	18.5%	10.0%	12.7%	-5.8	2.7
American Indian, Alaskan Native	14.3%	12.3%	7.5%	-6.8	-4.8
Asian	8.2%	7.9%	7.6%	-0.6	-0.4
Hawaiian/Pacific Islander	12.4%	7.2%	10.8%	-1.5	3.7
One or more races	14.9%	12.3%	11.8%a	-3.1	-0.5
Ethnicity	no data	no data	no data	no data	no data
Latino/Hispanic	13.2%	9.3%	9.7%	-3.5	0.4
Non-Hispanic	9.5%	7.8%	7.7%	-1.8	-0.1
no data	no data	no data	no data	no data	no data
Educational Attainment	no data	no data	no data	no data	no data
Less than a high school diploma	17.7%	13.1%	11.1%	-6.6	-2.0
High school graduates , no college	13.0%	9.8%	10.9%	-2.2	1.1
Some college, no degree	11.7%	9.7%	9.7%	-2.0	0.0
Associate degree	9.6%	8.6%	8.8%	-0.9	0.2

	August 2012	August 2020	August 2021	Net Percentage Point Change August 2012 to August 2021	Year-Over Percentage Point Change August 2020 to August 2021
Bachelor's degree or higher	6.2%	5.7%	5.8%	-0.4	0.1
no data	no data	no data	no data	no data	no data
Disability	no data	no data	no data	no data	no data
Has a Disability	18.5%	8.5%	13.9%	-4.6	5.4
Doesn't Have a Disability	10.7%	4.0%	8.3%	-2.4	4.3
no data	no data	no data	no data	no data	no data
Served in Armed Forces	no data	no data	no data	no data	no data
Yes	9.1%	7.4%	6.6%	-2.5	-0.8
No	10.8%	8.4%	8.5%	-2.4	0.1

Source: U.S. Census Bureau; Employment Development Department.

Labor Underutilization in California

Californians Who Work Part-Time for Economic Reasons

- The unemployment rate, while a valuable and widely understood barometer of labor market conditions, is narrowly defined. According to the BLS, an unemployed person is someone who did not work at least one hour for pay but actively sought work in the four-week period leading up to the household survey reference week. If an individual is neither employed nor unemployed, by definition he or she is considered to be not in the labor force. As such, the unemployment rate does not capture underemployment within the labor market. Nor does it track individuals who are marginally attached to the labor market. These are individuals who want to work and are available to work and have sought work in the past year, but had not actively sought work in the last four weeks.

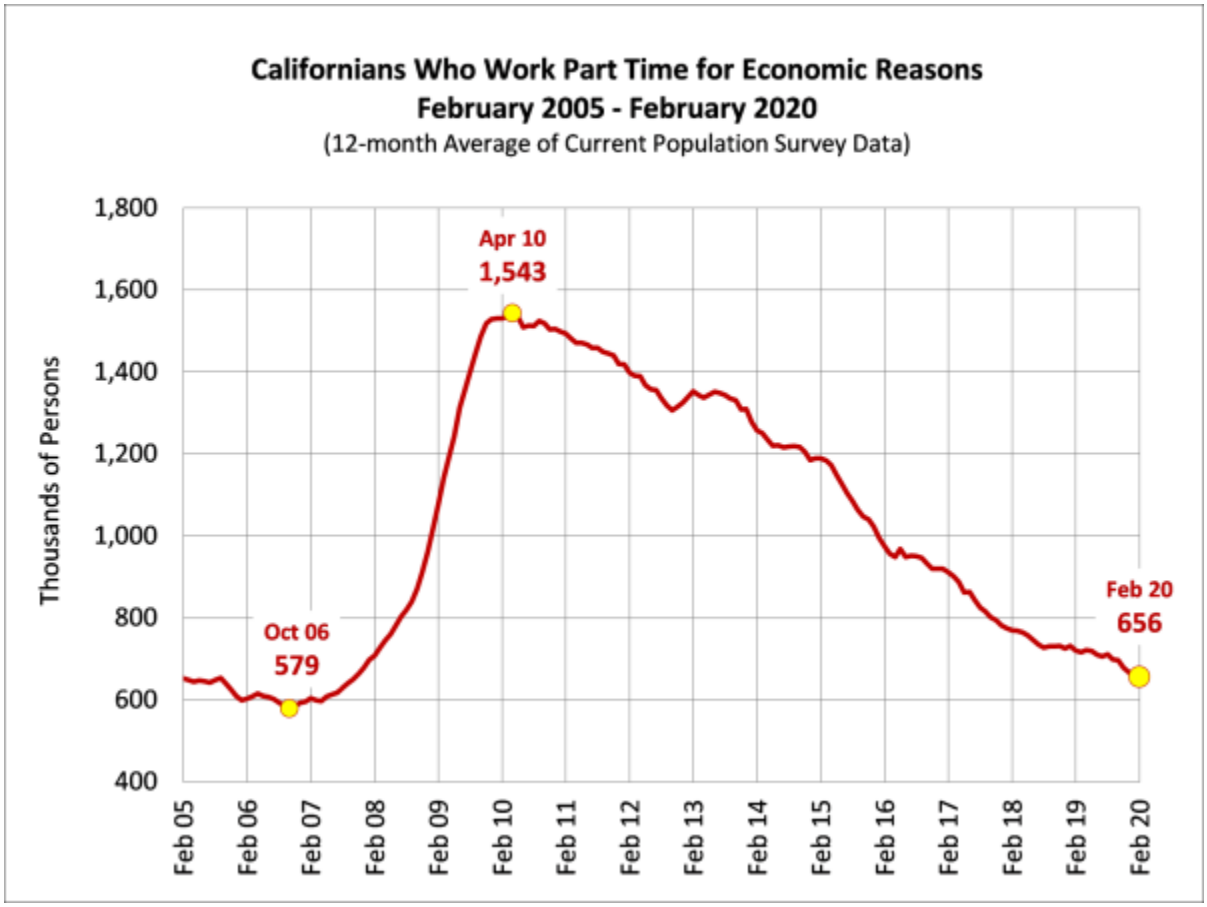
- The concept of underemployment has several aspects. Generally speaking, underemployment refers to workers who work part-time hours but desire to work full-time hours or more hours than they are currently working; workers who are working on a temporary basis but desire permanent employment; and workers doing work for which they are overqualified in terms of education, skills, and experience and who desire work which better matches their qualifications. Unfortunately, it is only possible to track the hours-worked aspect of underemployment over time using established labor market information tools, namely the CPS of households.

- The BLS defines workers who work part-time for economic reasons, or involuntary part-time employment, as those workers who work part-time but desire full-time work. Working 35 hours or more per week is the threshold for full-time work. Working less

than 35 hours per week is the threshold for part-time work. Those who work part-time for economic reasons include workers who usually work full-time but have had their hours slashed to part-time status by their employers, and workers who desire and are available to work full-time work but have had to settle for part-time work because that was the best employment option they could find.

- According to 12-month average data from the CPS, the number of Californians who worked part-time for economic reasons reached a low of 579,000 persons in October 2006 prior to the Great Recession. They accounted for 3.4 percent of all working Californians. The number of persons working part-time for economic reasons shot up during the recession and peaked at 1,543,000 persons in April 2010, when nearly one out of every ten (9.6 percent) employed Californians worked part-time involuntarily.

Figure 4



Source: Employment Development Department.

- The number of persons working part-time for economic reasons fell steadily, if gradually, over the course of the California's long employment expansion. In October 2019, 697,000 Californians worked part-time for economic reasons. They accounted for 3.7 percent of all working Californians, which was more or less on par with the pre-recession low.

- However, the data also suggest that involuntary part-time employment in California has increasingly become an issue of workers having to settle for part-time work even though

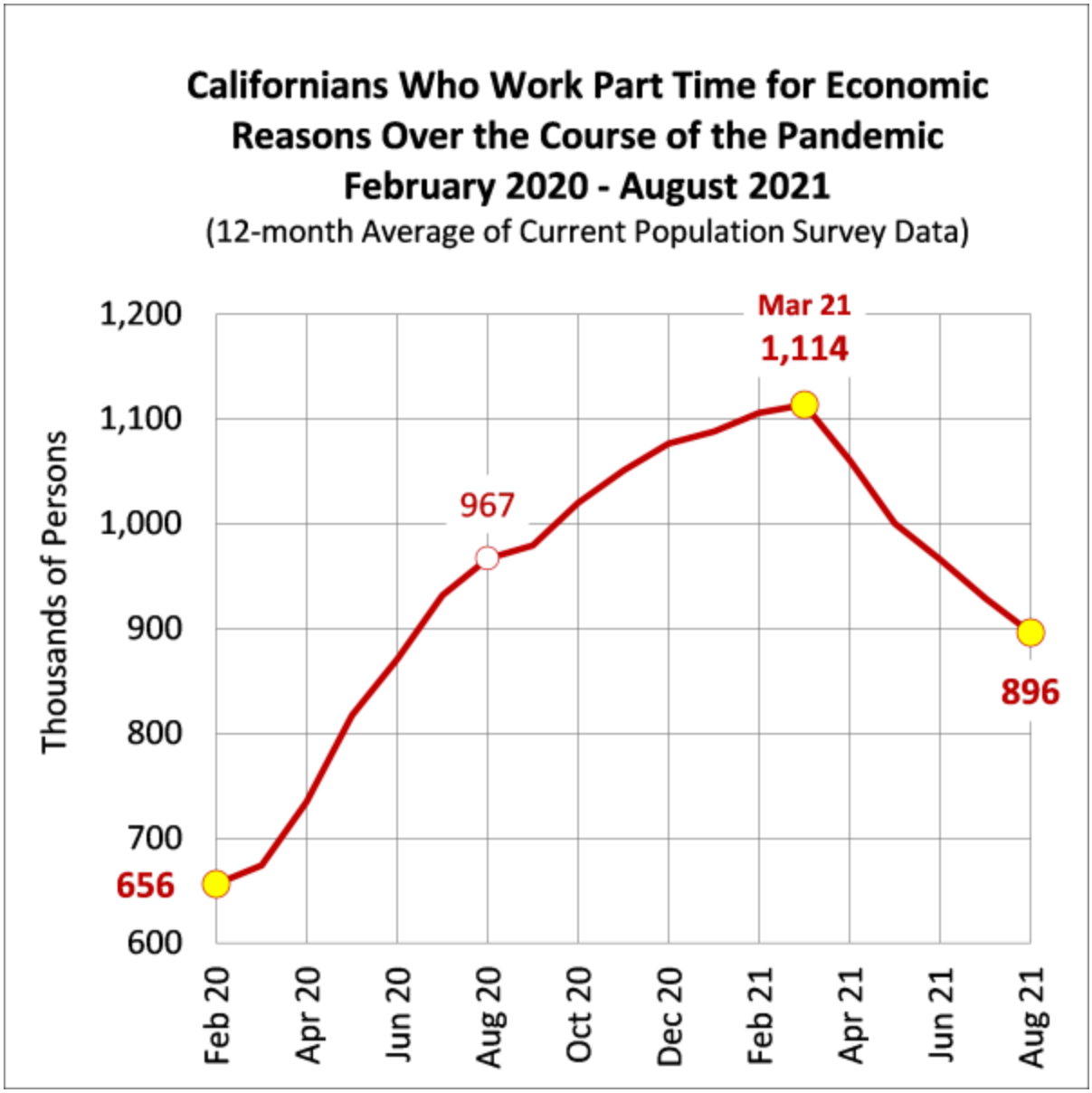
they desire full-time work. Prior to the recession in October 2006, nearly two-fifths (37.8 percent) of the Californians who worked part-time for economic reasons usually worked full-time but had their hours cut by their employers. A little over three-fifths (62.2 percent) usually worked part-time but desired full-time hours. In contrast, one-quarter (24.8 percent) of involuntary part-time workers usually worked full-time but had their hours cut and three-quarters (75.2 percent) were those who desired full-time work but had to settle for part-time work in February 2020.

The Pandemic-Induced Business Cycle

- Unfortunately, estimates of the number of Californians who work part-time for economic reasons show only a lagged response to the pandemic because they are calculated as a 12-month average of Current Population Survey data. Nevertheless, the data show a sharp rise in involuntary part-time unemployment in California following outbreak of the pandemic, followed by rapid decreases during the recovery.

- The number of Californians working part-time for economic reasons rose from 656,000 in February 2020 to a peak of 1,114,000 in March 2021. This was an increase of 457,000 persons (69.7 percent) over a 13-month period. Over two-thirds (68.0 percent) of this increase occurred from February 2020 through August 2020, or soon after the pandemic outbreak. In contrast, the number of Californians working part-time for economic reasons fell from its peak of 1,114,000 persons in March 2021 to 896,000 persons in August 2021. This was a decrease of 217,000 persons (19.5 percent) over a six-month period.

Figure 5



Source: Employment Development Department.

- Perhaps more interestingly, the character of involuntary part-time employment changed over the course of the pandemic. Full-time workers who had their hours cut by their employers fueled the February 2020 – August 2020 surge in workers who worked part-time for economic reasons. Their number rose from 163,000 in February 2020 to 466,000 in August 2020, which was an increase of 303,000 persons (186.1 percent) over just six months. In contrast, the number of workers who usually worked part-time but desired full-time hours rose by just 7,000 persons (1.4 percent) over this same period.

- The character of involuntary part-time employment changed from August 2020 through the March 2021 peak. Whereas the number of workers who usually worked part-time but desired full-time work rose by 94,000 persons (18.8 percent) over this period, the number of workers who usually worked full-time but had their hours cut increased by 53,000 persons (11.3 percent).

- An even greater difference between those who had their hours cut by their employers and those who couldn't find full-time work occurred during the recovery period from March 2021 through August 2021. Whereas the number of workers who involuntarily worked part-time because they had their hours cut by their employers fell by 254,000 persons (49.0 percent), the number of workers who wanted full-time hours but had to settle for part-time work increased by 37,000 (6.2 percent).

- The share of workers who usually work full-time but had their hours cut by their employers amongst all involuntarily part-time workers rose from 24.8 percent in February 2020 to a peak of 48.7 percent in December 2020. Their share had fallen to 29.5 percent by August 2021, and was on track to return to its pre-pandemic level.

- California's experience with involuntary part-time employment over the course of the pandemic underscores the fact that underemployment in California is fundamentally an issue of workers being unable to find the number of hours they desire to work. The exception is during times of economic stress, or recession, when many employers cut the hours of their full-time employees in lieu of laying them off in order to reduce costs.

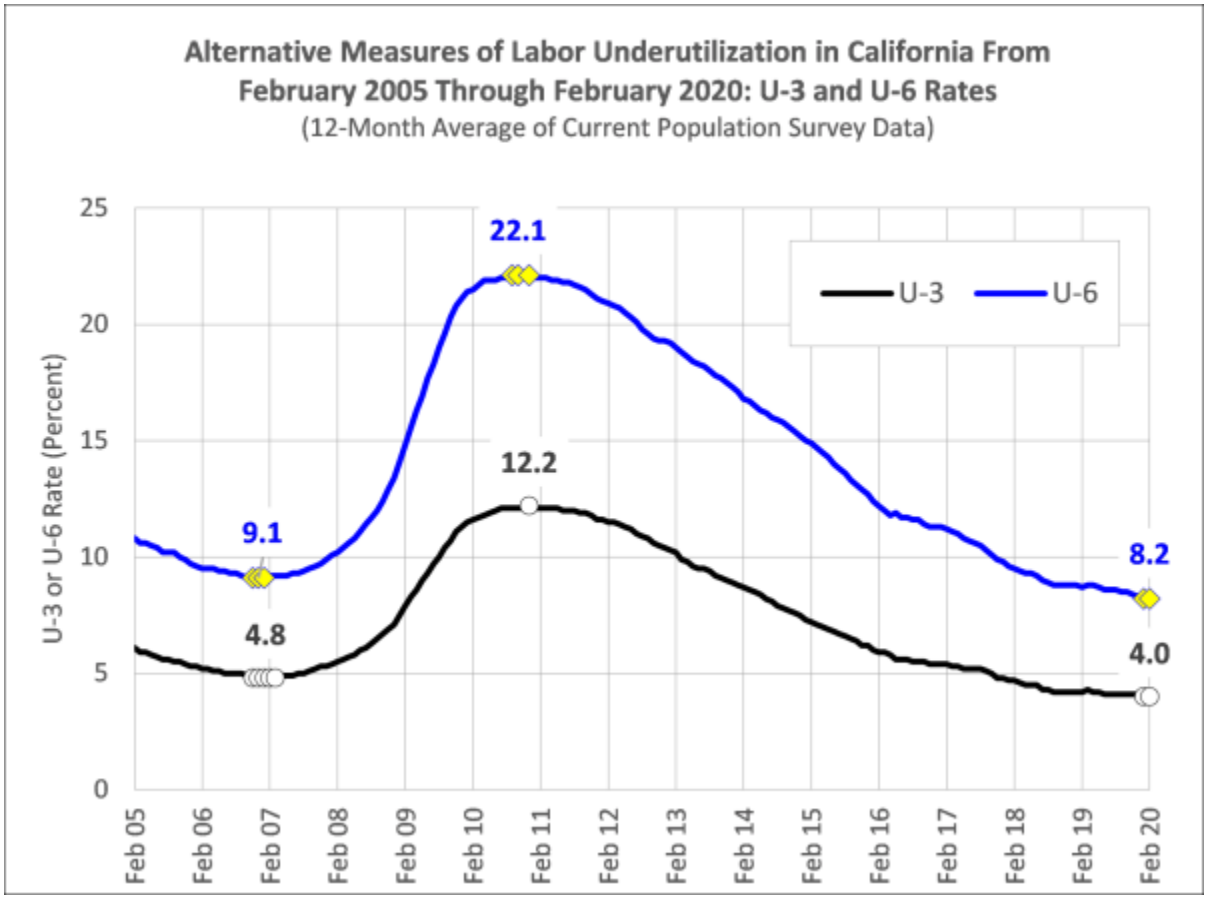
<u>The U-6 and U-3 Measures of Labor Underutilization</u>

- In acknowledgement that the traditional definition of unemployment is limited in that it does not measure underemployment or track marginally attached workers to the labor force, the BLS has devised six alternative measures of labor underutilization, some that are more restrictive than the unemployment rate and some that are more inclusive and broadly defined. The U-3 measure, or official unemployment, is defined as the total number of unemployed as a percent of the civilian labor force (employed and unemployed persons).

- The U-6 rate is the broadest measure of labor utilization. It is calculated as the number of unemployed, plus the total number of persons who are employed part-time for economic reasons, plus all persons marginally attached to the labor force as a percent of the labor force, plus all persons marginally attached to the labor force.[1] Persons who are marginally attached to the labor force are those who currently are neither working nor looking for work but want to work, are available for a job, and have looked for work sometime in the last year.[2]

- According to 12-month average CPS data, the U-3 rate, which corresponds to the official unemployment rate definition, in California reached a low of 4.8 percent in the months of November 2006 through March 2007. The U-3 rate rose to a recessionary peak of 12.2 percent in December 2010, then fell over the course of California's long employment expansion to a low of 4.0 percent in January and February 2020, which was 0.8 percentage point below the pre-recession low.

Figure 6



Source: U.S. Census Bureau; Employment Development Department.

- The U-6 rate, which is always higher than the U-3 rate because it is more inclusive and broadly defined than the U-3, reached a pre-recession low of 9.1 percent in October 2006 through January 2007. The U-6 rate skyrocketed during the recession, rising 13.0 percentage points and peaking at 22.1 percent in September, October, and December 2010. Expressed differently, the labor of more than one out of every five workers in California was underutilized in the sense that they were either unemployed, underemployed, or not actively participating in the labor market at the height of the recession. The U-6 rate fell steadily over the course of California's employment expansion to a low of 8.2 percent in January and February 2020, which was 0.9 percentage point lower than the pre-recession low. Even though California's official unemployment rate was at a historic low at this time, the labor of about one out of every 12 California workers was underutilized at the end of the expansion in February 2020.

- The comparison of the U-3 and U-6 rates indicates that the two measures of labor underutilization tend to move together with the business cycle, rising when the economy is weak and falling when it is strong. As such, the official unemployment rate is an effective barometer of labor market conditions. However, it is limited in the sense that it does not capture the full effects of the business cycle. When the unemployment rate rises, underemployment rises with it, and increasing numbers of marginally attached workers exit the labor force. When the unemployment rate falls, underemployment falls with it and marginally attached workers are drawn into the labor force.

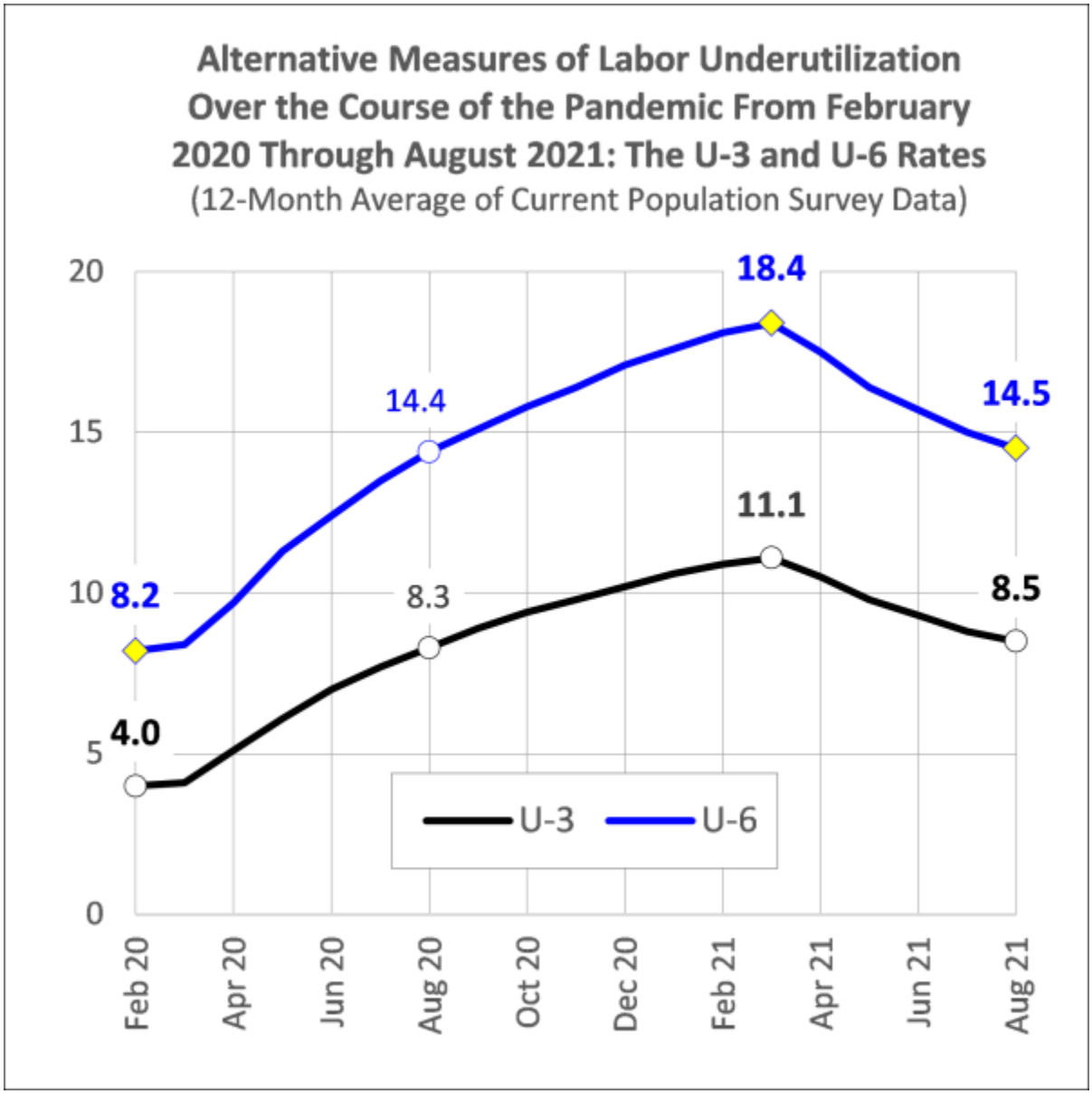
[1] Because the U-6 rate includes marginally attached workers who are not currently in the labor force, the labor force denominator must be expanded to include them in calculating the U-6 rate.

[2] Discouraged workers are a specific subset of marginally attached workers who say they are not actively seeking a job because they don't think they will find one. Twelve-month average Current Population Survey data indicated that there were 87,000 discouraged workers in August 2021. They accounted for less than one-third (31.0 percent) of all California's marginally attached workers. This was double their number at the end of the expansion in February 2020, when there were 44,000 discouraged workers who made up a little over one-quarter (26.5 percent) of all marginally attached workers.

The Pandemic-Induced Business Cycle

- California's U-3 rate rose from 4.0 percent in February 2020 to a peak of 11.1 percent in March 2021. This was an increase of 7.1 percentage points. California's U-6 rate increased by even more over the same period, from 8.2 percent in February 2020 to a peak of 18.4 percent in March 2021. This was an increase of 10.2 percentage points.

Figure 7



Source: U.S. Census Bureau; Employment Development Department.

- Both the U-3 and U-6 rates have fallen as the labor market recovers from the pandemic-induced recession. The U-3 rate fell by 2.6 percentage points to 8.5 percent over the five-month period from March 2021 through August 2021. The U-6 rate fell by even more, falling 3.9 percentage points to 14.5 percent over the same period.

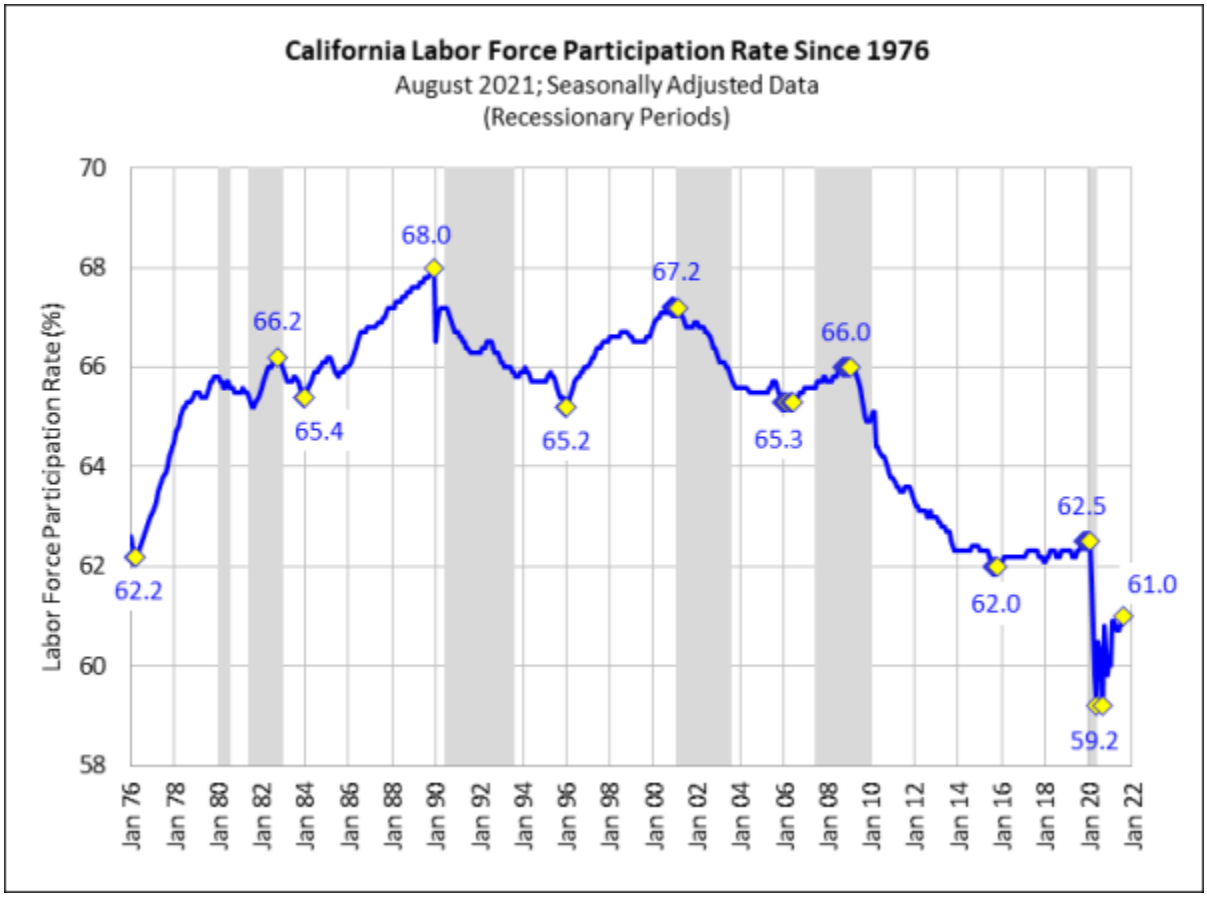
- Although expressing the U-3 and U-6 rates as a 12-month average of CPS data is necessary to control for seasonality and the statistical error associated with monthly CPS estimates as well as seasonality, this averaging blunts the effects of the COVID-19 pandemic. The less statistically reliable monthly CPS data suggest that the U-3 rate may have peaked around 16.6 percent in April 2020 and that the U-6 rate may have peaked around 26.4 percent in May 2020, before falling to around 7.3 percent and 12.5 percent, respectively, in August 2021.

Labor Force Participation in California

- The labor force participation rate (LFPR) is calculated as the number of persons in the labor force (those who are employed or unemployed but actively seeking work) divided by the working age population. Traditionally, labor force participation has tended to increase during times of economic expansion as increasing employment opportunities draw more people into the labor force and decrease during recessions as individuals with limited employment opportunities exit the labor force. However, labor force participation behaved differently over the course of the February 2010 – February 2020 expansion, decreasing long after the turnaround in overall economy and labor market. In fact, the California LFPR fell to what was then a record low of 62.0 in the middle of the expansion from August through November 2015 before stabilizing and remaining flat overall at historically low levels through the end of the expansion. The LFPR was 62.5 from October 2019 through February 2020.

- Labor force participation plunged from 62.5 in February 2020 to a new record low of 59.2 percent in May 2020, which was a decrease of 3.3 percentage points over just three months. California's LFPR gyrated up and down in the months immediately thereafter and again fell to 59.2 percent in September 2020, but increased thereafter. California's LFPR stood at 61.0 percent in August 2021. This was 1.8 percentage points higher than in September 2020, but still 1.5 percentage points lower than it was in February 2020.

Figure 8



Source: Employment Development Department.

<u>Demographic Characteristics of Labor Force Participation</u>

- The LFPR is calculated as the number of persons in the labor force (those who are employed or unemployed but actively seeking work) divided by the working age population. Traditionally, labor force participation has tended to increase during times of economic expansion as increasing employment opportunities draw more people into the labor force and decrease during recessions as individuals with limited employment opportunities exit the labor force.

- Multiple factors influence an individual's decision to participate in the labor force or not, most notably perceptions of how likely it is that one will find employment, school attendance, having a disability, having to care for house or family (children or elders), personal choice, and being retired. However, demographics, and particularly retirements among the large and aging baby boomer population, have exerted a key influence on overall labor force participation in recent years and will continue to do so over the years to come.

- Men had a higher labor force participation rate than women in August 2021, 67.4 percent to 54.5 percent. The 1.5 percentage point LFPR decrease among women between August 2012 and August 2021 was smaller than the 3.2 percentage point decrease among men.

- Labor force participation among prime working age cohorts, or Californians age 25 through 54, were consistently higher than those of other demographic groups. In August 2021, the 25 to 34, 35 to 44, and 45 to 54 age cohorts all had LFPRs above 78.0 percent. These LFPRs are not out of the ordinary because, generally speaking, economists find that workers within the prime working age cohorts represent the core of a state's workforce and includes its most economically productive demographic.

- Labor force participation among younger workers contrasts the trends seen amongst those of prime working age. The LFPRs of younger workers between the ages of 16 and 24 did not exceed 50.0 percent in August 2020 and August 2021. Upon closer inspection of younger workers, the data suggests that over the past two years, workers between the ages of 16 and 19 had a LFPR that remained below 30.0 percent. The LFPRs for workers between the ages of 20 and 24 were in the low to mid 60's in both August 2020 and August 2021, but were not at rates comparable to that of prime working age workers.

- Labor force participation drops off dramatically as people leave the workforce for a variety of reasons that include age and retirements. In August 2021, nearly one out of every five (19.4 percent) Californians age 65 and over participated in the civilian labor force. Although labor force participation decreases among workers aged 65 and over, this age cohort has had an increase between August 2020 and August 2021; 0.3 percentage point.

- Native-born Californians (60.9 percent) had a slightly higher rate of labor force participation than foreign-born Californians (60.6 percent) in August 2021 and experienced less of a dip in its LFPR between August 2012 and August 2021. Among foreign-born workers, those that were not U.S. citizens (65.1 percent) had a LFPR 8.1 percentage points higher than the foreign-born who were naturalized U.S. citizens (57.0 percent) in August 2021.

- Among the state's racial and ethnic groups, Hispanics (63.7 percent) had the highest LFPR in August 2021, followed by Hawaiian/Pacific Islanders (61.6 percent), Whites (61.0 percent), American Indian/Alaskan Natives (60.7 percent), Blacks (59.6 percent), and Asian (59.4 percent) workers. Between August 2012 and August 2021, Hawaiian/Pacific Islanders experienced the largest decline in their respective LFPR, decreasing from 74.2 percent to 61.6 percent. In terms of racial and ethnic workers that experienced declines in their LFPRs, Hispanics experienced the smallest (2.1 percent) between August 2012 and August 2021. Over this period, the largest increase was experienced by Black workers whose LFPR increased from 57.7 percent in August 2012 to 59.6 percent in August 2021; a 1.9 percentage point increase.

- The U.S. Census Bureau's CPS data suggests that less educated groups participated in the labor force at a lower rate than groups with more education. In August 2021, the LFPR among Californians that held less than a high school diploma was 42.2 percent, 29.6 percentage points lower than the rate for those that held a bachelor's degree or higher (71.8 percent). Between August 2012 and August 2021, labor force participation fell across all of the educational attainment groups; with the largest decline among

Californians with an associate degree (7.3). The smallest decrease was experienced by those with a bachelor's degree or higher, moving from 74.7 percent in August 2012 to 71.8 percent in August 2021.

- Less than one out of every five (18.1 percent) Californians with a disability participated in the civilian labor force in August 2021. Between August 2012 and August 2021, the LFPR for persons with a disability decreased from 19.7 percent to 18.1 percent. In both August 2020 and August 2021, the LFPR for persons with a disability has been below 20.0 percent. In addition, their LFPR remained at least 47.0 percentage points lower than that of persons that did not have a disability.

- Between August 2012 and August 2021, the LFPR among California veterans fell from 48.2 percent to 42.3 percent, a 5.9 percentage point drop in the rate. Over that same period of time, the rate for non-veterans declined by 2.8 percentage points; going from 65.3 percent to 62.5 percent. In both August 2020 and August 2021, the LFPR for veterans remained at least 19.0 percentage points lower than that of non-veterans.

Table 13

Labor Force Participation Rates by Demographic Group in California

(Labor Force as a Percent of Working Age Population, 12-Month Average of Current Population Survey Data)

no data	**August 2012**	**August 2020**	**August 2021**	**Net Percentage Point Change August 2012 to August 2021**	**Year-Over Percentage Point Change** **August 2020 to August 2021**
All Groups, Age 16 and Over	62.7%	61.2%	60.8%	-1.9	-0.4
no data	no data	no data	no data	no data	no data
Gender	no data	no data	no data	no data	no data
Male	70.6%	68.3%	67.4%	-3.2	-0.9
Female	56.0%	54.3%	54.5%	-1.5	0.2
no data	no data	no data	no data	no data	no data
Age	no data	no data	no data	no data	no data
16 to 24	49.5%	49.2%	48.5%	-1.0	-0.7
16 to 19	26.5%	28.1%	29.0%	2.5	0.9
20 to 24	67.1%	65.3%	63.9%	-3.2	-1.4
25 to 34	79.9%	79.2%	78.3%	-1.6	-0.9
35 to 44	80.8%	80.3%	80.1%	-0.7	-0.2

no data	**August 2012**	**August 2020**	**August 2021**	**Net Percentage Point Change August 2012 to August 2021**	**Year-Over Percentage Point Change** **August 2020 to August 2021**
45 to 54	79.5%	78.9%	79.6%	0.1	0.7
55 to 64	64.6%	64.1%	63.9%	-0.7	-0.2
65 and over	18.7%	19.1%	19.4%	0.7	0.3
no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data
Native-Born	62.2%	61.3%	60.9%	-1.3	-0.4
Foreign-Born	65.3%	61.2%	60.6%	-4.8	-0.6
Foreign Born, Naturalized U.S. Citizen	64.1%	58.2%	57.0%	-7.1	-1.2
Foreign Born, Not a U.S. Citizen	66.5%	64.6%	65.1%	-1.4	0.5
no data	no data	no data	no data	no data	no data
Race	no data	no data	no data	no data	no data
White	63.7%	61.4%	61.0%	-2.6	-0.3
Black	57.7%	60.5%	59.6%	1.9	-0.9
American Indian, Alaskan Native	60.2%	60.5%	60.7%	0.5	0.2
Asian	62.2%	60.0%	59.4%	-2.8	-0.5
Hawaiian/Pacific Islander	74.2%	77.0%	61.6%	-12.7	-15.5
One or more races	67.0%	64.3%	65.7%	-1.3	1.4
no data	no data	no data	no data	no data	no data
Ethnicity	no data	no data	no data	no data	no data
Latino/Hispanic	65.8%	64.2%	63.7%	-2.1	-0.5
Non-Hispanic	61.8%	59.6%	59.1%	-2.7	-0.5
no data	no data	no data	no data	no data	no data
Educational Attainment	no data	no data	no data	no data	no data
Less than a high	45.4%	41.7%	42.2%	-3.2	0.5

no data	**August 2012**	**August 2020**	**August 2021**	**Net Percentage Point Change August 2012 to August 2021**	**Year-Over Percentage Point Change August 2020 to August 2021**
school diploma					
High school graduates, no college	61.0%	58.8%	57.1%	-3.9	-1.7
Some college, no degree	64.6%	59.4%	59.9%	-4.7	0.5
Associate degree	70.9%	63.4%	63.6%	-7.3	0.2
Bachelor's degree or higher	74.7%	72.1%	71.8%	-2.8	-0.3
no data	no data	no data	no data	no data	no data
Disability	no data	no data	no data	no data	no data
Has a Disability	19.7%	17.4%	18.1%	-1.6	0.7
Doesn't Have a Disability	68.0%	66.8%	65.4%	-2.6	-1.4
no data	no data	no data	no data	no data	no data
Served in Armed Forces	no data	no data	no data	no data	no data
Yes	48.2%	43.6%	42.3%	-5.9	-1.3
No	65.3%	62.9%	62.5%	-2.8	-0.4

Source: U.S. Census Bureau; Employment Development Department.

Aging Baby Boomers

- The baby boom generation refers to the large number of people who were born immediately after the end of World War II in 1946 through 1964. In 2010, the age of baby boomers ranged from 46 to 64. As discussed previously, labor force participation rates in this age range tend to be comparatively high. In contrast, baby boomers ranged in age from 55 to 73 in 2019. As baby boomers age and enter their retirement years, they also enter into those age cohorts in which labor force participation rates plunge. As they age past 70, their labor force participation rates will plunge further.

- Baby boomers leaving the labor force appears to be dampening overall labor force participation in California.

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- According to 12-month average wage data from the CPS, the population of Californians age 65 and older grew by a little over one million from October 2010 through October 2016, or by about 170,000 persons each year. Whereas the number of people age 65 and older in the labor force grew by nearly 350,000, or by 55,000 persons each year, the number of persons age 65 and older who did not participate in the labor force rose by nearly 700,000, or 116,000 per year.

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  - Over the three years ending in October 2019, the number of Californians age 65 and older grew by 640,000 persons, or by an average of over 210,000 persons each year. The number of older workers in the labor force grew by around 125,000, or 42,000 persons a year. In contrast, the ranks of people age 65 and older who were not in the labor force grew by 513,000, or an average of 171,000 persons a year.

- The CPS tracks the reasons why people do not participate in the labor force, including: whether or not a person was disabled, in school, taking care of house or family, in retirement, ill, or something other. Retirement is typically the most frequent reason for not being in the labor force, followed by taking care of house or family, attending school, and having a disability. Illness and something other are typically much less frequently cited.

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  - From October 2010 through October 2016, the number of Californians not in the labor force grew by a little over 1.5 million persons. The number of people in retirement grew by 820,000 persons, the large majority of whom were age 55 and older. The number of persons not in the labor force due to school grew by 289,000 persons, primarily among youths age 16 to 24. The number of persons taking care of house or family grew by 238,000, primarily among prime working age persons, and the number of disabled grew by 190,000, with the increase occurring across age groups.

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  - In contrast, the number of Californians not in the labor force grew by 233,000 over the October 2016-October 2019 period. The number of persons not in the labor force fell for every reason except retirement: in school decreased by 178,000, taking care of house or family by 117,000, and having a disability by 111,000. In sharp contrast, the number of persons not in the labor force due to retirement increased by 678,000, of whom nearly 600,000 was age 65 and older.

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  - The number of Californians not in the labor force increased by 34,000 persons over the year ending in October 2019. Once again, the number fell across all reason categories except in retirement, which increased by 187,000 persons.

The number of those not in the labor force age 65 and older increased by 196,000 persons. A narrower age breakdown revealed that the number of Californians age 65 to 69 who were not in the labor force due to retirement fell by 51,000 persons over the year, but the number of those age 70 and older in retirement grew by 233,000 persons.

- The data for those not in the labor force suggest that California's strong economy did in fact draw more marginally attached workers into the labor force over the three years ending in October 2019, which is what one would expect in a labor market with record low unemployment and an ongoing 116-month employment expansion. However, the gathering wave of retiring baby boomers that averaged about 200,000 persons per year dampened overall labor force participation.

- The wave of retiring baby boomers will continue and possibly strengthen over the years to come. A rough estimate of how many baby boomers will leave the labor force from 2019 through 2024 can be derived by taking the October 2019 population of persons in the age 55 to 59, 60 to 64, 65 to 69, and 70 to 74 age cohorts, the full range of which captures the baby boom population, and multiplying that by the labor force participation rate of the next oldest five-year age cohort. For example, the population of 55 to 59 age cohort is multiplied by the LFPR of the 60 to 64 age cohort, the 60 to 64 population is multiplied by 65 to 69 LFPR, and so on. Applying this method yields an estimate that 2,666,000 baby boomers will participate in the labor market in five years' time compared to 3,924,000 in October 2019. In other words, around 1,250,000 baby boomers, or 250,000 persons per year, may be expected to leave the California labor force over the next five years due to the normal interaction of aging and retirement on labor force participation alone.

- Although this estimate of how many baby boomers will exit the labor force over the next five years will be lower if the recent trend of increasing labor force participation among older workers continues, the sheer numbers of retiring baby boomers will dampen overall labor force participation in the years to come. At the same time, their departure from the labor force will also mean that establishments will have to replace many of their work functions, creating demand for replacement workers.

Demand and Growth Industries

- Demand industries within the economy are identifiable by determining which industries added the most jobs over a specified time period. However, it is inherently difficult to identify emerging industries under the existing North American Industry Classification System (NAICS). Essentially an industry must already have emerged to receive its own unique NAICS classification. As a result of this limitation, this section identifies the fastest growing industries in California as those industries that added jobs at a rate that was at least 11.4 percent, or twice that of total nonfarm employment, over the three years ending in October 2019. This three-year period was chosen to capture more recent trends within the labor market.

- Individual and family services, which includes in-home health supportive services jobs, was the California industry that added the most jobs from October 2016 through October 2019, followed by limited-service restaurants, or fast food, eating places. Both

of these industries are characterized by comparatively low skill and low wage jobs. Although individual and family services was among California's fastest growing industries over the October 2016-October 2019 period, limited-service restaurants was not, but did grow at a faster rate than overall total nonfarm employment.

Table 14

California's Fastest Growing Industries October 2016 Through October 2019

(Not Seasonally Adjusted Data)

Industries That Gained the Most Jobs (Three-Year Change in Number)	Jobs Gained
Individual and Family Services	98,700
Limited-Service Restaurants	64,000
Other Information Services	38,400
Computer Systems Design and Related Services	37,100
Local Government Education	33,600
Employment Services	31,900
Warehousing and Storage	31,000
Outpatient Care Centers	27,700
Building Equipment Contractors	26,600
Scientific Research and Development Services	23,800
Management of Companies and Enterprises	22,700
Building Foundation and Exterior Contractors	22,300
State Government Education	22,000
Residential Building Construction	20,900
Architectural, Engineering and Related Services	18,400
Investigation and Security Services	17,800
General Medical and Surgical Hospitals	17,200
Accommodation	17,000
General Merchandise Stores	16,900
Software Publishers	15,900
Services to Buildings and Dwellings	15,600
Building Finishing Contractors	14,500
Other Schools and Instruction	13,200
General Freight Trucking	13,100

Industries That Gained the Most Jobs (Three-Year Change in Number)	Jobs Gained
Data Processing, Hosting and Related Services	13,000
Couriers and Messengers	12,900
Offices of Other Health Practitioners	12,800
Nonresidential Building Construction	12,700
Colleges, Universities and Professional Schools (Private)	12,200
State Government Excluding Education	11,700
Electronic Instrument Manufacturing	11,500
County Government	11,100
City Government	11,000
Special Food Services	10,900
Elementary and Secondary Schools (Private)	10,700
Activities Related to Real Estate	10,500
Electronic Computer Manufacturing	10,300
Motor Vehicle Manufacturing	10,200
Accounting, Tax Preparation and Bookkeeping Services	10,100
Industries That Grew the Fastest (Three-Year Change in Percent)	Percent Change
Motor Vehicle Manufacturing	105.2%
Other Information Services	40.9%
Other Heavy and Civil Engineering Construction	32.9%
Data Processing, Hosting and Related Services	32.0%
Warehousing and Storage	25.7%
Software Publishers	23.1%
Industrial Machinery Manufacturing	20.6%
Other Schools and Instruction (Private)	20.0%
Residential Building Construction	20.0%
Building Foundation and Exterior Contractors	19.6%
Highway, Street, and Bridge Construction	19.5%
Scientific Research and Development Services	18.6%

Industries That Gained the Most Jobs (Three-Year Change in Number)	Jobs Gained
Nonresidential Building Construction	17.3%
Electronic Computer Manufacturing	17.1%
Spectator Sports	16.0%
Couriers and Messengers	16.0%
Individual and Family Services	15.8%
General Freight Trucking	15.8%
Commercial and Industrial Machinery Rental and Leasing	15.4%
Special Food Services	15.0%
Offices of Other Health Practitioners	14.7%
Outpatient Care Centers	14.1%
Electronic Instrument Manufacturing	13.8%
Beverage and Tobacco Product Manufacturing	13.2%
Specialty (not Psychological or Substance Abuse) Hospitals	12.9%
Social Advocacy Organizations	12.9%
Architectural and Structural Metals Manufacturing	12.7%
Computer Systems Design and Related Services	12.4%
Personal and Household Goods Repair	12.2%
Air Transportation	12.2%
Investigation and Security Services	12.2%
Building Equipment Contractors	11.9%
Waste Management and Remediation Services	11.8%
Hardware, Plumb and Heating Merchant Wholesalers	11.5%
Home Health Care Services	11.4%
Elementary and Secondary Schools (Private)	11.4%
No data	End of table

Source: Employment Development Department.

- Three of the California industries that added more than 20,000 jobs from October 2016 through October 2019 were high-skill and high-paying sectors with a high technology orientation, including: other information services, computer systems design and related

services, and scientific research and development services. Architectural, engineering, and related services; software publishers; data processing, hosting and related services; electronic instrument manufacturing, and electronic computer manufacturing were among the other high technology industries that added more than 10,000 jobs over the period. These same high technology industries were among California's fastest growing industries over the October 2016-October 2019 period with the exception of architectural, engineering, and related services, which nevertheless grew at a faster pace than overall total nonfarm employment but not at over twice its pace.

- Several of California's existing demand industries were in the educational sector, including local government education (public schools); state government education; other schools and instruction; private colleges, universities, and professional schools; and private elementary and secondary schools. Of these industries, only other schools and instruction and elementary and secondary schools, both of which were in the private sector, were among California's fastest growing.

- Several of California's existing demand industries were in the health care sector, including: outpatient care centers; general medical and surgical hospitals; and offices of other health practitioners. Outpatient care centers, offices of health practitioners, specialty (not psychological or substance abuse) hospitals, and home health care services were among California's fastest growing. The job growth rate in general medical and surgical hospitals lagged well below that of total nonfarm employment.

- The construction industry played a key role in California's employment expansion and construction workers were in strong demand over the October 2016-October 2019 period. The construction industries that added the most jobs and grew at the fastest pace included: building equipment contractors, building foundation and exterior contractors, residential building construction, and nonresidential building construction. In addition, other heavy and civil engineering construction grew at the third fastest pace among California industry sectors, and highway, street, and bridge construction was among the fastest growing industries. Building finishing contractors was also a strong demand industry and its 10.9 percent growth rate only narrowly missed the fastest growing list.

- Warehousing and storage, couriers and messengers, and general freight trucking were among the California industries that added the most jobs and grew at the fastest pace. This presumably reflected the continued rapid growth in e-commerce and online shopping.

- Several of the industries that added the most jobs over the October 2016-October 2019 period were in professional and business services' administrative and waste services subsector, which tends to have lower skill and paying jobs. Employment services, investigation and security services, and services to buildings and dwellings were among the industries that added the most jobs over the period. Investigation and security services, and waste management and remediation services were among California's fastest growing.

Union Affiliation by Industry Sector

- According to the BLS, 2.5 million California workers were members of a union in 2019. They comprised 15.2 percent of California's nearly 16.5 million wage and salary workers. In contrast, just 10.3 percent of wage and salary workers in the nation as a whole were members of a union in 2019[1]. California had the seventh highest rate of union affiliation among states in 2019.

- According to 12-month average CPS data, half (50.3 percent) of all union members in California worked in the public sector in October 2019. Government also had the highest rate of union affiliation, with over half (52.4 percent) of all government workers being members of a union. Nearly three-fifths (58.4 percent) of local government workers were members of a union, as were over half (51.3 percent) of state government workers, and three out of every 10 (30.8 percent) federal government workers.

[1]U.S. Bureau of Labor Statistics Union Member Summary

Table 15

Table 15
Union Membership by Major Industry Sector in California: October 2019

Industry Sector	Share of Workers
Total, All Industries	**15.2%**
Government, Total	**52.4%**
Local Government	58.4%
State Government	51.3%
Federal Government	30.8%
Private Sector, All Sectors	**8.8%**
Construction	18.2%
Transportation and Utilities	16.3%
Educational and Health Services	16.0%
Information	15.6%
Mining	8.8%
Manufacturing	7.6%
Wholesale and Retail Trade	7.6%
Leisure and Hospitality	4.8%
Other Services	3.9%
Agriculture, Forestry, Fishing, and Hunting	3.9%
Financial Activities	3.6%
Professional and Business Services	2.6%

(12-Month Average Current Population Survey; Percent of Workers in Sector Who Were Members of a Union)

Source: U.S. Census Bureau; Employment Development Department.

- In contrast, just one out of every 11 (8.8 percent) wage and salary workers in California's private sector was a member of a union. Construction (18.2 percent) was the major industry sector with the highest share of union members in its workforce, followed by transportation and utilities (16.3 percent), educational and health services (16.0 percent), and information (15.6 percent). Professional and business services had the lowest rate of union affiliation at 2.6 percent). A total of five major industry sectors in the private sector had union membership rates below five percent.

- A detailed comparison of the earnings of union and non-union members in major California industry sectors is beyond the scope of this report. That said, the BLS

estimated that at the national level, the median weekly earnings of full-time wage and salary union members was $1,095 in 2019, compared to $892 for non-union members. This was a difference of $203 a week, or 22.7 percent.[1]

Future Job Growth Projections

Industry Employment Projections

- Information about future labor market trends is critical for developing programs that help meet employers' needs and help residents secure a job, obtain a better job, and create an upward career pathway. Industry and occupational employment projections are provided for the nation by the DOL's BLS and translated into projections for the state and metro areas by the Employment Development Department's (EDD) Labor Market Information Division (LMID).

- The 2018-2028 employment projections do not include impacts of the COVID-19 pandemic and response efforts. Employment projections are developed using models based on historical data, which in this set of projections cover the period through 2018; all input data therefore precede the pandemic. Employment projections are long-term projections intended to capture structural change in the economy, not cyclical fluctuations. As such, they are not intended to capture the impacts of the recession that began 2020.

- Total industry employment in California, which includes self-employment, private household workers, farm employment, and nonfarm employment, is expected to reach 20,412,500 by 2028, an increase of 8.4 percent during the 10-year projection period. Total nonfarm employment is projected to add 1,491,500 jobs during the period. Seventy-nine percent of projected nonfarm growth is concentrated in four sectors: educational services (private), health care, and social assistance; professional and business services; leisure and hospitality; and transportation, warehousing, and utilities.

- The major industry sectors projected to have the largest job growth is educational services (private), health care, and social assistance, accounting for 35.1 percent of the projected nonfarm employment growth. The projected growth for the sector is 524,600 jobs during the 2018-2028 projection period (see Figure 9). The greatest concentration of job gains is projected to occur in the following educational services (private), health care, and social assistance subsectors:

-
    - Social assistance (193,400)
    - Ambulatory health care services (186,700)
    - Educational services (private) (56,000)

- The educational services (private), health care, and social assistance industry sector is also expected to be the fastest growing industry sector with an expected growth rate of

19.3 percent (see Figure 10). As the population grows and demographics change, the demand for workers in this sector will remain high.

- The top 25 industry groups that are expected to generate the most employment are projected to account for 1,177,600 jobs during the 2018-2028 projection period (see Table 16).

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    - Six of the top 25 industry groups generating the most employment are within the health care and social assistance subsector. They are expected to generate 373,700 jobs during the 10-year projection period.

-
    - Individual and family services tops the list with a projected employment growth of 181,200 jobs during the 10-year projection period.

- The top 25 industry groups by percentage growth are expected to grow a combined 27.9 percent (746,300) during the 2018-2028 projection period (see Table 17).

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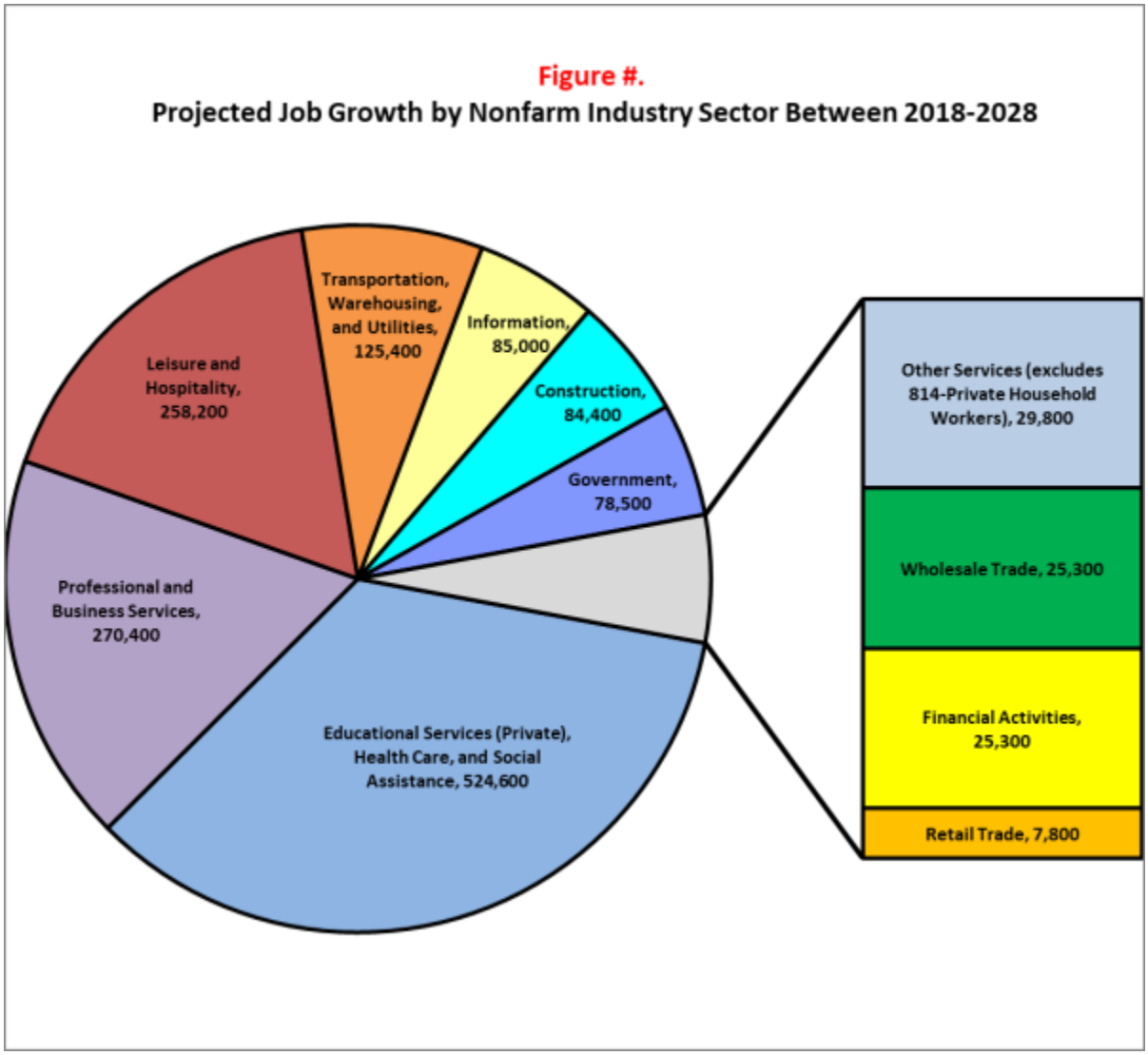
    - Eight of the top 25 fastest growing industry groups are within the health care and social assistance subsector.

-
    - Warehousing and storage tops the list with an expected growth rate of 47.5 percent during the 10-year projection period.

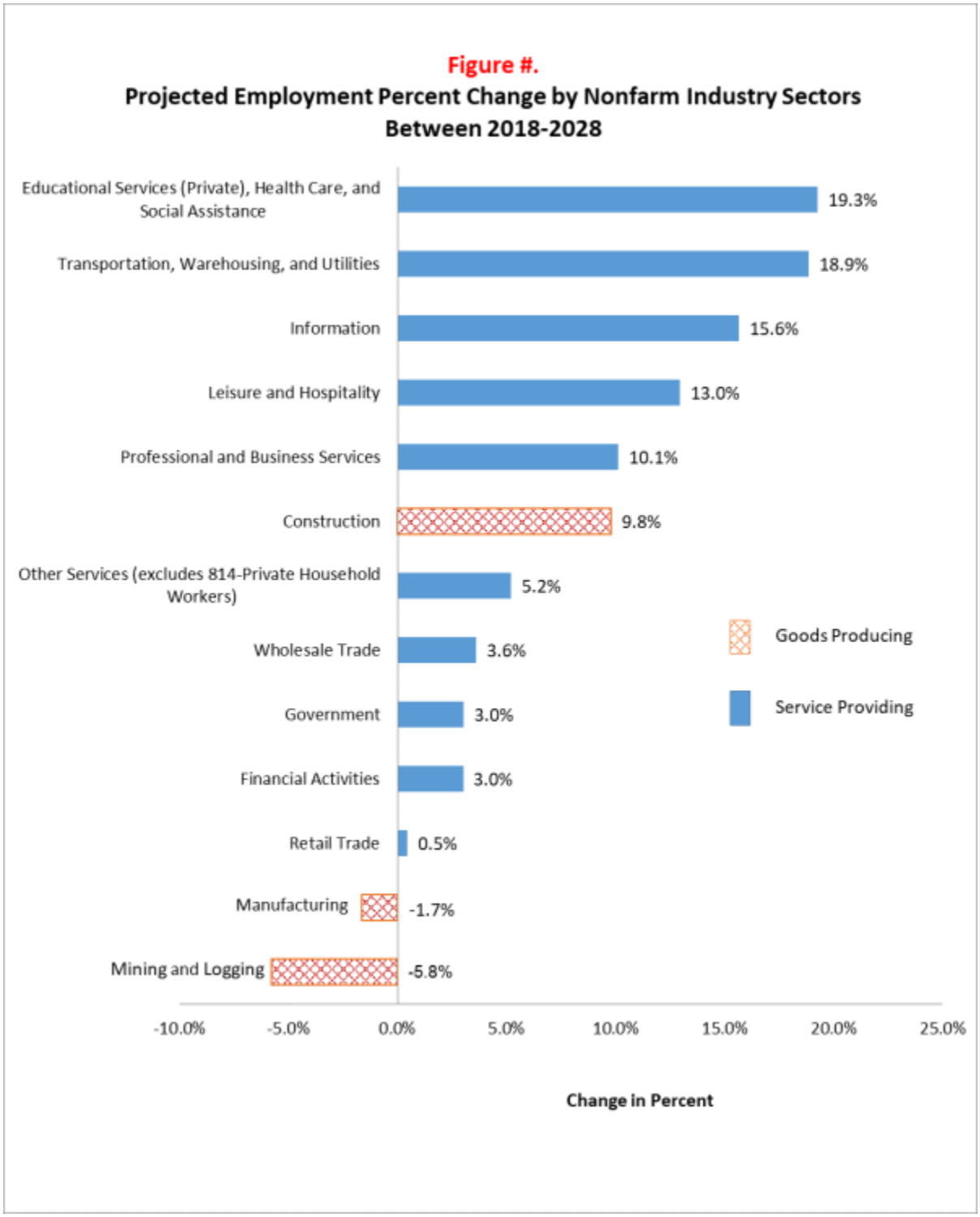
[1] A more detailed breakdown of median weekly earnings of full-time wage and salary workers by union affiliation in the United States in 2019 by industry and occupation may be found here: https://www.bls.gov/news.release/union2.t04.htm.

Figure 9



Source: Employment Development Department.

Figure 10



Source: Employment Development Department

Table 16

California Nonfarm Industry Groups with the Largest Projected Job Growth (2018-2028)

Industry Title	Projected 2018-2028 Job Growth
Individual and Family Services	181,200
Full-Service Restaurants	113,700

Industry Title	Projected 2018-2028 Job Growth
Limited-Service Eating Places	101,500
Outpatient Care Centers	75,700
Warehousing and Storage	69,300
Employment Services	59,300
Computer Systems Design and Related Services	52,500
Management, Scientific, and Technical Consulting Services	46,100
General Medical and Surgical Hospitals	41,200
General Merchandise Stores, including Warehouse Clubs and Supercenters	39,000
Scientific Research and Development Services	32,600
Software Publishers	32,300
Offices of Other Health Practitioners	29,900
Other Information Services	29,600
Couriers and Messengers	29,200
Services to Buildings and Dwellings	27,900
Local Government Education	25,700
Colleges, Universities, and Professional Schools	25,500
Building Equipment Contractors	25,200
Offices of Physicians	24,700
Grocery Stores	24,700
State Government Education	24,200
Electronic Shopping and Mail-Order Houses	22,800
Local Government Excluding Education	22,800
Home Health Care Services	21,000
Total	1,177,600

Source: Employment Development Department

Table 17

California Nonfarm Industry Groups with the Fastest Projected Job Growth (2018-2028)

Industry Title	Projected 2018-2028 Job Growth (Percent)	Projected 2018-2028 Job Growth
Warehousing and Storage	47.5%	69,300

Industry Title	Projected 2018-2028 Job Growth (Percent)	Projected 2018-2028 Job Growth
Electronic Shopping and Mail-Order Houses	43.4%	22,800
Data Processing, Hosting, and Related Services	41.9%	19,700
Motor Vehicle Manufacturing	36.5%	6,900
Software Publishers	36.4%	32,300
Specialty (except Psychiatric and Substance Abuse) Hospitals	36.2%	5,500
Outpatient Care Centers	35.5%	75,700
Couriers and Messengers	31.1%	29,200
Offices of Other Health Practitioners	30.5%	29,900
Other Information Services	27.8%	29,600
Individual and Family Services	26.9%	181,200
Medical and Diagnostic Laboratories	26.0%	9,400
Scientific Research and Development Services	23.5%	32,600
Home Health Care Services	23.1%	21,000
Other Schools and Instruction	22.9%	16,400
Management, Scientific, and Technical Consulting Services	22.6%	46,100
General Freight Trucking	22.6%	19,900
General Merchandise Stores, including Warehouse Clubs and Supercenters	21.8%	39,000
Other Ambulatory Health Care Services	21.6%	6,300
Beverage and Tobacco Product Manufacturing	20.8%	13,200
Museums, Historical Sites, and Similar Institutions	20.3%	4,000
Amusement Parks and Arcades	20.3%	9,700
Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly	18.8%	18,000

Industry Title	Projected 2018-2028 Job Growth (Percent)	Projected 2018-2028 Job Growth
Social Advocacy Organizations	18.6%	5,000
Industrial Machinery Manufacturing	17.6%	3,600
Total	No data	746,300

Source: Employment Development Department.

Middle-Skill Occupations Employment Projections

- Middle-skilled occupations are those that require more than a high school education but less than a four-year degree. The top 25 middle-skilled occupations (see Table 18) are expected to generate 1,695,090 total job openings during the 2018-2028 period. These openings include approximately 639,660 due to those exiting the labor force, 921,730 transferring to a different occupation and 133,700 due to job growth.

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  - Bookkeeping, accounting, and auditing clerks top the list with 224,870 total job openings during the 2018-2028 period.

-
  - Seven of the top 25 occupations are in a health care related field and are expected to generate 476,950 total job openings during the ten-year period.

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  - Median annual salaries range from $27,750 for manicurists and pedicurists to $84,178 for respiratory therapists.

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  - Fourteen out of the top 25 middle-skill occupations are at or above the median hourly and median annual wage for all occupations in California. The median hourly wage for all occupations in California was $21.78 and the median annual wage for all occupations in California was $45,310 for the first quarter of 2020.

Table 18

California's Top 25 Middle-Skilled Occupations with the Most Job Openings (2018-2028)

For the table below, middle-skilled occupations are defined as occupations that require some college, a postsecondary non-degree award, or an associate's degree as defined by education levels provided by the BLS.

SOC Code *	Occupational Title	Exits [1]	Transfers [2]	Numeric Change [3]	Total Jobs [4]	Median Hourly Wages [5]	Median Annual Wages [5]
43-3031	Bookkeeping, Accounting, and Auditing Clerks	120,140	109,930	-5,200	224,870	$23.24	$48,334
53-3032	Heavy and Tractor-Trailer Truck Drivers	71,210	125,450	24,400	221,060	$23.35	$48,580
31-9092	Medical Assistants	44,540	81,110	24,900	150,550	$18.64	$38,772
25-9041	Teacher Assistants	67,230	66,250	7,000	140,480	N/A	N/A
31-1014	Nursing Assistants	43,790	47,490	10,900	102,180	N/A	N/A
39-5012	Hairdressers, Hairstylists, and Cosmetologists	41,490	43,680	4,400	89,570	$13.75	$28,605
31-9091	Dental Assistants	29,570	41,990	9,100	80,660	$20.46	$42,562
49-3023	Automotive Service Technicians and Mechanics	21,680	56,070	-700	77,050	$23.10	$48,055
29-2061	Licensed Practical and Licensed Vocational Nurses	27,970	34,820	11,600	74,390	$29.08	$60,480
25-2011	Preschool Teachers, Except Special Education	26,450	40,580	6,400	73,430	$17.19	$35,751
15-1151	Computer User Support Specialists	10,740	37,210	7,700	55,650	N/A	N/A
23-2011	Paralegals and Legal Assistants	13,020	28,250	5,000	46,270	$28.54	$59,356
39-5092	Manicurists and Pedicurists	18,360	19,390	2,200	39,950	$13.34	$27,750
49-9021	Heating, Air Conditioning, and Refrigeration Mechanics and Installers	9,510	24,540	4,100	38,150	$27.87	$57,951
43-4151	Order Clerks	13,690	23,960	100	37,750	$18.43	$38,317

SOC Code *	Occupational Title	Exits [1]	Transfers [2]	Numeric Change [3]	Total Jobs [4]	Median Hourly Wages [5]	Median Annual Wages [5]
31-9011	Massage Therapists	16,110	13,880	3,900	33,890	$17.37	$36,114
49-2022	Telecommunications Equipment Installers and Repairers, Except Line Installers	8,330	24,600	900	33,830	$29.97	$62,336
27-2011	Actors	10,300	22,080	700	33,080	$23.25	N/A
17-3023	Electrical and Electronics Engineering Technicians	8,620	16,780	1,500	26,900	$33.35	$69,377
33-2011	Firefighters	6,210	17,230	1,300	24,740	$38.29	$79,645
27-4011	Audio and Video Equipment Technicians	5,710	12,750	2,400	20,860	$25.43	$52,901
31-9097	Phlebotomists	5,710	10,480	3,600	19,790	$22.11	$45,982
25-4031	Library Technicians	10,770	7,780	-100	18,450	$22.38	$46,547
15-1134	Web Developers	3,000	10,350	2,700	16,050	N/A	N/A
29-1126	Respiratory Therapists	5,510	5,080	4,900	15,490	$40.47	$84,178
No data	Total	639,660	921,730	133,700	1,695,090	**No data**	**No data**

Source: Employment Development Department.

Notes:

Excludes "All Other" categories. These are residual codes that do not represent a detailed occupation.

*The Standard Occupational Classification (SOC) system is used by government agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data.

[1] Exits are the projected number of workers leaving an occupation and exiting the labor force entirely. Labor force exits are more common at older ages as workers retire, but can occur at any age. Labor force exits are not necessarily permanent exits from the labor force; for example, some workers exit the labor force to pursue additional education with the intention of returning to the labor force. They do represent permanent separations from an occupation.

[2] Transfers are the projected number of workers leaving an occupation and transferring to a different occupation. Transfers represent permanent separations from an occupation, not temporary movements where the worker is expected to return to the same occupation in the future.

[3] Numeric change measures the projected number of job gains or losses in an occupation for the projection period.

[4] Total job openings are the sum of exits, transfers, and numeric change.

[5] Median hourly and annual wages are the estimated 50th percentile of the distribution of wages; 50 percent of workers in an occupation earn wages below, and 50 percent earn wages above the median wage. The wages are from 2020 first quarter and do not include self-employed or unpaid family workers. An estimate could not be provided for wages listed as N/A.

Economic Inequality[1]

Demographic Inequality

- Unemployment rates by demographic group were discussed previously to demonstrate how labor market conditions in California improved across all demographic groups over the course of the employment expansion. Not only did the unemployment rates of all demographic groups fall substantially, but the gap between demographic groups with the highest and lowest unemployment rates also shrank considerably. At the outset of the expansion in October 2010, teens had the highest unemployment rate at 34.4 percent and persons age 25 and older who had a bachelor's degree or higher had the lowest unemployment rate at 6.2 percent, which was a difference of 28.2 percentage points. In October 2019, after nine years of expansion, the teen unemployment rate was still the highest at 14.7 percent and the 2.6 percent unemployment rate among persons with a bachelor's degree or higher was still the lowest. However, the gap between the two rates had narrowed to 12.1 percentage points.

- Despite this improvement, some demographic groups faced larger obstacles in the labor market than others in October 2019. This is seen in comparing the October 2019 unemployment rates of major demographic groups in California.

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    - According to 12-month average data from the CPS, California's overall unemployment rate was 4.1 percent in October 2019.

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    - The unemployment rate among youths age 16 to 24 was more than double the overall rate at 9.1 percent. The unemployment rate among teens (14.7 percent) was higher than that among youths age 20 to 24 (7.4 percent), but the rates of both groups were comparatively high.

-
    - The unemployment rate among Californians with disabilities was also more than double the overall rate at 8.9 percent.

-
    - Two major demographic groups had unemployment rates that were 1.5 percentage points or higher than the overall rate: Californians 25 and older who had not obtained a high school diploma (6.0 percent) and African Americans (5.6 percent).

-
    - Latinos (4.7 percent) and foreign-born non-citizens (4.7 percent) were the other major demographic groups with rates that were higher than the overall unemployment rate.

- The demographic groups with the highest unemployment rates in October 2019 are the groups who will be most vulnerable should economic conditions in California change and the economy tips into a recession. Based on an analysis of unemployment rates over the October 2010-October 2019 period, younger workers, and particularly youths, would likely fare worse than older workers if a recession were to occur, persons with disabilities would likely fare worse than those without disabilities, less well educated groups would likely fare worse than more educated groups, African Americans and Latinos would likely fare worse than Whites and Asians, and foreign-born noncitizens would likely fare worse than native born Americans and naturalized U.S. citizens.

<u>Long-Term Unemployment</u>

- According to 12-month average CPS data, just over one million of California's 2.2 million unemployed persons had been unemployed for 27 weeks or more in October 2010. The number of long-term unemployed fell by 828,000 persons to 189,000 from October 2010 through October 2019. The share of the long-term unemployed in total unemployment fell from 46.0 percent to 23.9 percent over the same period.

- Although small sample issues complicate any analysis of the long-term unemployed in October 2019, younger workers and less well-educated workers appear to have comprised a disproportionately high share of total long-term unemployment. Over two-fifths (44.6 percent) of long-term unemployed Californians was either under the age 35 or had attained a high school diploma or less (43.3 percent). This suggest that inexperienced persons with low educational attainment and undifferentiated skills face particularly large obstacles in the labor market.

<u>Industry Wages</u>

- Average monthly employment and average weekly pay data for California industries for the first quarter of 2019 are available from the Quarterly Census of Employment and Wages (QCEW). This section compares average weekly pay in major industry sectors and subsectors, or two-digit NAICS industries. The health care and social assistance subsector has been further subdivided into health care and social assistance components because of their large discrepancy in pay. High, middle, and low paying jobs are loosely defined with respect to the average weekly pay total for all industries and what seem to be natural break points in the data. Subsector data are provided because

major industry sectors such as professional and business services and educational and health services have a mix of high, middle, and low paying jobs.

Table 19

Average Weekly Pay in California Industry Sectors and Subsectors: First Quarter of 2019

(Quarterly Census of Employment and Wages Data)

Major Industry Sector	Average Weekly Pay
Total, all industries	**$1,405**
Highest Pay	No data
Information	$3,847
Mining	$2,606
Financial Activities	$2,496
Manufacturing	$1,930
Professional and Business Services	$1,905
Middle Pay	No data
Government	$1,378
Construction	$1,346
Trade, Transportation, and Utilities	$1,094
Education and Health Services	$1,014
Lowest Pay	No data
Other Services	$798
Agriculture, Forestry, Fishing & Hunting	$630
Leisure and Hospitality	$565
Industry Subsectors	Average Weekly Pay
Highest Pay	No data
Management of Companies and Enterprises	$3,066
Finance and Insurance	$3,062
Utilities	$2,943
Professional, Scientific, and Technical Services	$2,512
Middle Pay	No data
Wholesale Trade	$1,614
State Government	$1,581
Federal Government	$1,542

Major Industry Sector	Average Weekly Pay
Real Estate and Rental and Leasing	$1,473
Transportation and Warehousing	$1,329
Health Care	$1,326
Local Government	$1,304
Lowest Pay	No data
Educational Services	$1,037
Arts, Entertainment, and Recreation	$924
Administrative and Support and Waste Services	$915
Retail Trade	$725
Accommodation and Food Services	$498
Social Assistance	$396

Source: Employment Development Department.

- Information ($3,847) had the highest average weekly pay among major industry sectors in California in the first quarter of 2019, followed by mining ($2,606), financial activities ($2,496), manufacturing ($1,930), and professional and business services ($1,905).

-
    - In the professional and business services sector, the management of companies and enterprises and professional, scientific, and technical services subsectors were among California's highest paying sectors and subsectors. However, the administrative and support and waste services subsector was among the lowest paying sectors and subsectors. This subsector accounted for two-fifths (39.4 percent) of all professional and business services jobs.

-
    - In the financial activities sector, the finance and insurance subsector was among California's highest paying sectors and subsectors, but the real estate and rental and leasing sector was among the middle-paying industry sectors and subsectors.

- The government, construction, trade, transportation, and utilities, and educational and health services sectors were classified as middle pay range industry sectors. However, there were differences in pay in some subsectors.

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- In the trade, transportation, and utilities sector, utilities had high average pay, wholesale trade and transportation and warehousing fell in the middle average pay range, and retail trade fell in the low range.

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  - In the educational and health services sector, health care fell within the middle average pay range sectors and subsectors, and educational services and social assistance fell within the low paying sectors. Educational services had the highest average weekly pay of all low paying sectors and subsectors.

- Other services, agriculture, forestry, fishing, and hunting, and leisure and hospitality had the lowest average weekly pay among California sectors in the first quarter of 2019.

- According to first quarter of 2019 employment totals from the QCEW, 4.1 million of California's nearly 17.4 million jobs were in high paying industry sectors and subsectors. These high paying sectors accounted for less than one-quarter (23.4 percent) of all California's jobs. Over three-quarters (76.6 percent) of all California's jobs were in middle and low paying industry sectors and subsectors.

- The number of middle and low paying jobs was roughly equal in the first quarter of 2019. Employment totaled 6.7 million jobs in low average pay sectors and subsectors, and 6.5 million jobs in middle pay ones. Jobs in low-paying and middle-paying industry sectors and subsectors accounted for 38.8 and 37.8 percent, respectively, of total all industry jobs.

<u>Median Wages by Major Occupational Group</u>

- Occupational wage data are available for the first quarter of 2019 from the Occupational Employment Statistics (OES) Survey, as are occupational employment estimates from May 2018. According to the OES, the median hourly wage for all occupations in California was $20.86 in the first quarter of 2019. Thirteen of California's 22 major occupational groupings had median hourly wages above the median and nine had median hourly wages that were below it.

- Employment in those occupational groups with hourly wages above the overall median wage totaled 7.3 million jobs in May 2018, compared to 9.7 million jobs in occupational groups with hourly wages that were below it. Expressed differently, 57.0 percent of Californians were employed in occupational groups that paid less than the overall median wage in the first quarter of 2019 compared to 43.0 percent who were employed in occupational groups that paid more.

- Differences in occupational wage levels were even more pronounced if one accounts for the seven major occupational groups that had median hourly wages above $36 an hour, or more than $15 an hour above the overall median hourly wage, in the first quarter of 2019. They were: management occupations; computer and mathematical occupations; legal occupations; architecture and engineering occupations; healthcare practitioners

and technical occupations; life, physical, and social science occupations; and business and financial operations occupations. Employment in these seven occupational groups totaled 4.1 million jobs in May 2018, accounting for just under one-quarter (24.2 percent) of total employment.

Table 20

Median Hourly Wages By Occupational Group in California:
First Quarter of 2019

(Occupational Employment Statistics Survey Results)

Major Occupational Group	Median Hourly Wage
Total, all occupations	**$20.86**
Wages Above the Median	No data
Management Occupations	$58.54
Computer and Mathematical Occupations	$50.53
Legal Occupations	$49.59
Architecture and Engineering Occupations	$46.65
Healthcare Practitioners and Technical Occupations	$43.35
Life, Physical, and Social Science Occupations	$38.84
Business and Financial Operations Occupations	$36.31
Arts, Design, Entertainment, Sports, and Media Occupations	$28.88
Education, Training, and Library Occupations	$27.59
Construction and Extraction Occupations	$27.02
Community and Social Services Occupations	$25.20
Installation, Maintenance, and Repair Occupations	$24.51
Protective Service Occupations	$23.22
Wages Below the Median	No data
Office and Administrative Support Occupations	$19.38
Healthcare Support Occupations	$17.61
Production Occupations	$16.82
Transportation and Material Moving Occupations	$16.32
Sales and Related Occupations	$15.48
Building and Grounds Cleaning and Maintenance Occupations	$15.22

Major Occupational Group	Median Hourly Wage
Food Preparation and Serving-Related Occupations	$12.60
Personal Care and Service Occupations	$12.49
Farming, Fishing, and Forestry Occupations	$11.95

Source: Employment Development Department.

[1] The data and analysis in this section of this report have not been updated. Although the COVID-19 pandemic disrupted California's labor market and likely exacerbated inequalities within it, it remains unknown how lasting its effects will be because it is still ongoing. Equally important, the magnitude of the disruptions that followed the pandemic outbreak were so large that they threaten to skew many labor market relationships observed in the pre-pandemic data. Most economists assume that as disruptive as the effects of the pandemic were or have been, they will prove to be temporary and that labor market conditions will return to normal, or at least something more resembling normal, after the pandemic is brought under control or burns itself out. Until more data become available over time, the pre-COVID environment in October 2019 remains an accurate depiction of the fundamental inequalities that exist within California's labor market.

- In contrast, eight major occupational groups had median hourly wages of less than $18 an hour[1], including: healthcare support occupations; production occupations; transportation and material moving occupations; sales and related occupations; building and grounds cleaning and maintenance occupations; food preparation and serving-related occupations; personal care and service occupations; and farming, fishing, and forestry occupations. Employment in these eight major occupational groups totaled nearly 7.3 million jobs in May 2018, accounting for over two-fifths (42.6 percent) of total employment.

Regional Inequalities: Coastal and Inland Areas of California

- California's labor market is characterized by regional inequalities, and more particularly, coastal and inland areas of the state. Coastal areas are narrowly defined as those California counties that border the Pacific Ocean or San Francisco Bay, and inland areas include those counties that do not. As such, coastal areas include large metropolitan areas such as San Diego, Los Angeles, San Jose, San Francisco, and Oakland. The Sacramento and Inland Empire metropolitan areas are included among inland areas even though their economies are interconnected with and share many of the same characteristics of the large, urban coastal areas of the state.

- According to annual average data from the QCEW, 12.4 million, or nearly three-quarters (73.3 percent), of California's nearly 17 million wage and salary jobs were in coastal areas of California in 2018. Employment in inland areas totaled 3.7 million jobs, of which close to two-fifths were in the Riverside-San Bernardino and Sacramento metropolitan areas combined.

- Inland areas experienced slightly faster job growth than coastal areas from 2010 through 2018. Whereas wage and salary jobs in inland areas grew by 21.7 percent over this eight-year period, they grew by 19.5 percent in coastal areas. Inland areas excluding the Riverside-San Bernardino and Sacramento metropolitan areas grew at a slightly slower rate of 20.2 percent.

- Annual average pay levels were much higher in coastal areas than inland areas of the state over the 2010 through 2018 period. The average annual pay in coastal areas was $75,100 in 2018, compared to $48,400 in inland areas. The pay discrepancy was even wider in inland areas if the Riverside-San Bernardino and Sacramento metropolitan areas are omitted from inland areas. Average annual pay in inland areas excluding these two areas was just $33,100 in 2018. That said, the cost of living, and more particularly housing and lodging, tend to be much higher in coastal areas than inland areas of the state.

- Wages and salaries grew at a faster rate in coastal areas than inland areas over the 2010-2018 period. Average annual pay increased by $18,000, or 31.5 percent, in coastal areas from 2010 through 2018, compared to $7,700, or 18.8 percent, in all inland areas, and $4,800, or 17.2 percent, in inland areas excluding the Sacramento and Riverside-San Bernardino metropolitan areas.

Comparative Unemployment by Industry Sector and Occupation

- According to data from the U.S. Census Bureau's CPS, in October 2010, when unemployment was near its peak, unemployment rates ranged from a high of 23.8 percent in construction to a low of 3.8 percent in public administration. This was a range of 20.0 percentage points. Unemployment rates improved across industry sectors over the October 2010-2019 period. In October 2019, unemployment rates ranged from a high of 13.5 percent in agriculture, forestry, and hunting to a low of 2.0 percent in financial activities. This was a range of 11.5 percentage points. The range was even narrower in nonfarm industries, from a high of 5.1 percent in mining to a low of 2.0 percent in financial activities, a difference of just 3.1 percentage points.

- In October 2010, seven industry sectors had unemployment rates higher than 10.0 percent. In contrast, the very seasonal agriculture, forestry, and hunting sector (13.5 percent) was the only industry sector that had an unemployment rate of over 10.0 percent in October 2019. Four nonfarm industry sectors had unemployment rates of 4.0 percent or higher: mining (5.1 percent); wholesale and retail trade (4.4 percent); construction (4.3 percent); and manufacturing (4.0 percent). Five nonfarm sectors had unemployment rates below 3.0 percent: other services (2.8 percent); public administration (2.7 percent); educational and health care services (2.6 percent); information (2.5 percent); and financial activities (2.0 percent).

- A comparison of October 2010 and October 2019 industry sector unemployment rates suggest that workers in goods producing industry sectors such as construction and manufacturing or consumer-spending sensitive industries such as leisure and hospitality and wholesale and retail trade are among the most vulnerable in times of recession.

- In October 2010, occupational unemployment rates ranged from a high of 27.0 percent in construction and extraction occupations to a low of 6.7 percent in professional and related occupations. This was a range of 20.3 percentage points. Unemployment rates improved across occupational groups over the October 2010-2019 period. In October 2019, occupational unemployment rates in the nonfarm economy ranged from a high of

5.6 percent in construction and extraction occupations to a low of 2.0 percent in management and business, and financial operations occupations, which was a difference of 3.6 percentage points.

- In October 2010, eight of the ten major occupational groups had unemployment rates higher than 10.0 percent. In contrast, farming, fishing, and forestry occupations (17.9 percent), which tend to be highly seasonal in nature, was the only occupational group with an unemployment rate over 10.0 percent in October 2019. Four additional occupational groups had unemployment rates of 4.0 percent or more: construction and extraction occupations (5.6 percent); transportation and material moving occupations (5.2 percent); production occupations (4.1 percent); and sales and related occupations (4.0 percent). In contrast, three occupational groups had unemployment rates below 3.0 percent: installation, maintenance, and repair occupations (2.9 percent); professional and related occupations (2.7 percent); and management, business, and financial occupations (2.0 percent). Generally speaking, unemployment rates were higher in lower-skill occupations and lower in higher-skill ones.

Educational Attainment and the Labor Market

- Educational attainment plays a key role in determining labor market outcomes. Unemployment rates tend to be strongly correlated with educational attainment. As a rule, groups with lower educational attainment are more susceptible to unemployment than are more highly educated groups. Unemployment rates tend to get progressively higher the lower one's educational attainment, and progressively lower the higher one's educational attainment. Those with lower educational attainment tend to cluster in low-wage and low-skill industry sectors and more highly educated persons cluster in higher paying and high-skill industries and occupations.

- In October 2010, when unemployment was near its peak, the highest unemployment rate of Californians age 25 and older[2] was among those who had not completed high school at 15.9 percent, followed by 13.0 percent among high school graduates who did not attend college, and 12.4 percent among those who had attended some college but had not earned a degree. In contrast, the unemployment rate among those with an associate degree was 8.5 percent and 6.2 percent among those who had a bachelor's degree or higher.

- The range between the educational attainment groups with the highest and lowest unemployment rates was 9.7 percentage points in October 2010. The unemployment rates of all educational attainment groups fell substantially over the course of the expansion to the point where just 3.4 percentage points separated the highest and lowest unemployment rates of the major educational attainment groups in October 2019. Nevertheless, those with less educational attainment experienced progressively higher unemployment rates than those with more educational attainment in October 2019. The unemployment rates of those who did not complete high school and those who were high school graduates only were 6.0 and 3.9 percent, respectively, in October 2019. In contrast, the unemployment rates of those with an associate degree and those who had obtained a bachelor's degree or higher were 3.1 and 2.6 percent, respectively.

- About one-third (32.8 percent) of working Californians over the age of 25 had either not completed high school or had a high school diploma only in October 2019. These workers were clustered in six industry sectors. Wholesale and retail trade (14.1 percent) employed the largest share of workers with a high school diploma or less, followed by construction (13.3 percent), educational and health services (11.0 percent), professional and business services (10.9 percent), leisure and hospitality (10.9 percent), and manufacturing (10.8 percent). As a group, these six industry sectors employed 71.0 percent of all workers who had a high school diploma or less.

- Retail trade employed four-fifths of the workers with a high school diploma or less in the wholesale and retail trade sector. In the professional and business services sector, three- quarters of the workers with a high school diploma or less were employed in the low-wage administrative and support and waste services subsector. Although agricultural, forestry, fishing, and hunting employed just 5.6 percent of those with a high school diploma or less in October 2019, nearly four-fifths (78.3 percent) of the workers in this sector had a high school diploma or less. About half of the workers in this sector over the age of 25 had not completed high school.

- Nearly half (49.2 percent) of California workers age 25 and over with an associate degree or higher worked in either the professional and business services or educational and health care services sectors. The high-wage financial activities and information sectors employed an additional 11.8 percent of all workers with an associate degree or higher. Four-fifths of the workers with an associate degree or higher in the professional and business services sector were employed in the high-wage professional, scientific, and technical services sector. Within educational and health services, 46.2 percent of workers with an associate degree or higher worked in the health care industries, and 44.6 percent worked in educational services.

Outlook

- California's record-long employment turned 10 years old in February 2020 and its economy and labor market were operating at full employment. Almost overnight, the COVID-19 pandemic outbreak upended everything and severely disrupted California's labor market. The state experienced an unprecedented loss of over 2.7 million nonfarm jobs over just a two-month period from February 2020 through April 2020 after all but essential services within the labor market were shut down. California's unemployment rate rose from a near record low to a record shattering high of 16.0 percent, and the number of unemployed more than tripled to near 3 million over the same period.

- By the same token, California's labor market exhibited a remarkable ability to recover and do so rapidly after the pandemic shutdown was lifted and other pandemic restrictions were eased. As of August 2021, California had safely re-opened its economy and was enjoying a robust jobs recovery. Unemployment was well below its pandemic peak and trending downwards. However, the state still had some distance to go to recover the jobs it lost during the pandemic-induced recession and the pandemic itself continued to affect labor market activities and behaviors.

- The outlook for California's labor market, and indeed the nation's, remains cloudy and uncertain and will remain so until the pandemic is brought under control both within

the state and globally. Quarterly economic forecasts by the University of California, Los Angeles (UCLA) Anderson School Forecast in 2021-to-date aptly summarize the current situation. In its first and second quarter economic forecasts for 2021, UCLA anticipated a robust recovery from the pandemic-induced recession that began in March 2020. These forecasts, buoyed by the rapid roll out of effective COVID-19 vaccines to the general public, assumed that the COVID-19 pandemic would be brought under control by late summer or fall 2021.

- However, these forecasts also warned that recoveries are not always smooth. In their own words, this caveat proved to be "prescient." In their third quarter 2021 economic forecast, the UCLA forecast team reported that hopes for blockbuster economic growth had been dampened by the spread of the Delta variant and stagnating vaccination rates in both California and the nation, which in turn led to consumer caution and supply constraints. As such, their third quarter 2021 forecast anticipated only solid but unspectacular growth and recovery through 2023.

Workforce Analysis: Demographics and Target Populations

This section provides an overview of California's population, and more particularly its working age population, and the target populations that the WIOA is intended to serve.

<u>Total Population</u>

- In August 2021, women made up (50.6 percent) of the state's population and men made up 49.4 percent. Women also accounted for 50 percent or more of the population within the following age cohorts: 65 and over (54.8 percent), 55 to 64 (51.3 percent), 45 to 54 (51.0 percent), and 35 to 44 (50.0 percent).

- Whites were the largest racial group within the Golden State, accounting for 72.1 percent or 28.0 million members of the State's population in August 2021. Asians (15.6 percent) were the second largest racial group, followed by Blacks (6.3 percent), and persons that identify with one or more races (3.6 percent). American Indian and Alaskan Native persons made up 1.6 percent of the State's population and Hawaiian/Pacific Islanders made up less than 1 percent (0.6 percent).

- In terms of sheer numbers, among White residents, over 4 million were either 65 years and over or between the ages of 25 and 34 in August 2021. Within the State's Asian population, over 1 million persons were 65 years and over. In addition, over 900,000 Asians were either 0 to 15 (988,800 persons) or 25 to 34 (964,400 persons). For Black residents within the State, the largest numbers were among the age cohorts 0 to 15 (485,800 persons) and 25 to 34 (412,000 persons) years of age.

- In August 2021, four out of every ten (40.1 percent) or 15.5 million Californians identified as Hispanic and the largest shares of Hispanics were concentrated among the younger age cohorts. Hispanics made up over half (52.1 percent) of all Californians age 0 to 15, nearly half (49.6 percent) of young people between the ages of 16 and 24, and over 43 percent (43.1 percent) of Californians between the ages of 25 and 34.

- California's foreign-born population stood at 9.6 million in August 2021 and it was comprised of 5.3 million persons that were U.S. citizens by naturalization and 4.3 million persons that were not U.S. citizens. Nearly one out of every four Californians was foreign-born in August 2021. Among the foreign-born, the largest age cohorts were as follows: 45 to 54 (2.03 million), 65 and over (1.96 million), and 35 to 44 (1.90 million).

Table 21

Demographic Characteristics of Californians by Age

(August 2021, 12-Month Average of Current Population Survey Data)

	All Ages Number	**0 to 15** Number	**16 to 24** Number	**25 to 34** Number	**35 to 44** Number	**45 to 54** Number	**55 to 64** Number	**65 and over** Number
All Demographic Groups*	**38,886,000**	**7,731,000**	**4,571,200**	**5,776,800**	**5,232,300**	**4,776,300**	**4,721,200**	**6,077,200**
no data	no data	no data	no data	no data	no data	no data	no data	no data
Gender	no data	no data	no data	no data	no data	no data	no data	no data
Male	19,197,600	3,952,000	2,333,900	2,912,100	2,615,000	2,340,000	2,298,200	2,746,400
Female	19,688,400	3,779,000	2,237,300	2,864,700	2,617,300	2,436,300	2,423,000	3,330,800
no data	no data	no data	no data	no data	no data	no data	no data	no data
Race	no data	no data	no data	no data	no data	no data	no data	no data
White	28,030,900	5,544,500	3,260,300	4,023,700	3,700,500	3,483,200	3,498,700	4,520,000
Black	2,467,600	485,800	282,500	412,000	336,900	320,300	295,300	334,800
American Indian, Alaskan Native	649,300	145,500	83,900	101,000	116,200	60,700	67,200	74,800
Asian	6,077,100	988,800	648,900	964,400	898,400	791,700	750,000	1,034,900
Hawaiian/Pacific Islander	248,100	40,600	36,400	34,700	32,400	41,600	27,500	34,900
One or more races	1,413,000	525,800	259,200	241,000	147,900	78,800	82,500	77,800
no data	no data	no data	no data	no data	no data	no data	no data	no data
Ethnicity	no data	no data	no data	no data	no data	no data	no data	no data
Latino/Hispanic	15,598,800	4,024,000	2,268,800	2,488,600	2,195,700	1,842,800	1,452,200	1,326,700
Non-Hispanic	23,286,90	3,707,00	2,302,40	3,288,10	3,036,60	2,933,40	3,269,00	4,750,40

	All Ages Number	**0 to 15** Number	**16 to 24** Number	**25 to 34** Number	**35 to 44** Number	**45 to 54** Number	**55 to 64** Number	**65 and over** Number
	0	0	0	0	0	0	0	0
no data	no data	no data	no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data	no data	no data	no data
Native-Born	29,189,000	7,481,000	4,083,000	4,477,300	3,327,800	2,745,900	2,962,700	4,111,300
Foreign-Born	9,696,600	250,000	488,100	1,299,400	1,904,500	2,030,300	1,758,500	1,965,800
U.S. Citizen by Naturalization	5,326,700	39,700	170,800	455,600	835,200	1,127,400	1,146,900	1,551,100
Not A U.S. Citizen	4,369,900	210,300	317,300	843,800	1,069,300	902,900	611,600	414,700

	0 to 15 **Share (%) of Demographic Group**	**16 to 24** **Share (%) of Demographic Group**	**25 to 34** **Share (%) of Demographic Group**	**35 to 44** **Share (%) of Demographic Group**	**45 to 54** **Share (%) of Demographic Group**	**55 to 64** **Share (%) of Demographic Group**	**65 and over** **Share (%) of Demographic Group**
All Demographic Groups*	**19.9%**	**11.8%**	**14.9%**	**13.5%**	**12.3%**	**12.1%**	**15.6%**
no data	no data	no data	no data	no data	no data	no data	no data
Gender	no data	no data	no data	no data	no data	no data	no data
Male	20.6%	12.2%	15.2%	13.6%	12.2%	12.0%	14.3%
Female	19.2%	11.4%	14.6%	13.3%	12.4%	12.3%	16.9%
no data	no data	no data	no data	no data	no data	no data	no data
Race	no data	no data	no data	no data	no data	no data	no data
White	19.8%	11.6%	14.4%	13.2%	12.4%	12.5%	16.1%
Black	19.7%	11.4%	16.7%	13.7%	13.0%	12.0%	13.6%
American Indian, Alaskan Native	22.4%	12.9%	15.6%	17.9%	9.3%	10.3%	11.5%
Asian	16.3%	10.7%	15.9%	14.8%	13.0%	12.3%	17.0%

	0 to 15 Share (%) of Demographic Group	16 to 24 Share (%) of Demographic Group	25 to 34 Share (%) of Demographic Group	35 to 44 Share (%) of Demographic Group	45 to 54 Share (%) of Demographic Group	55 to 64 Share (%) of Demographic Group	65 and over Share (%) of Demographic Group
Hawaiian/Pacific Islander	16.4%	14.7%	14.0%	13.1%	16.8%	11.1%	14.1%
One or more races	37.2%	18.3%	17.1%	10.5%	5.6%	5.8%	5.5%
no data	no data	no data	no data	no data	no data	no data	no data
Ethnicity	no data	no data	no data	no data	no data	no data	no data
Latino/Hispanic	25.8%	14.5%	16.0%	14.1%	11.8%	9.3%	8.5%
Non-Hispanic	15.9%	9.9%	14.1%	13.0%	12.6%	14.0%	20.4%
no data	no data	no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data	no data	no data
Native-Born	25.6%	14.0%	15.3%	11.4%	9.4%	10.2%	14.1%
Foreign-Born	2.6%	5.0%	13.4%	19.6%	20.9%	18.1%	20.3%
U.S. Citizen by Naturalization	0.7%	3.2%	8.6%	15.7%	21.2%	21.5%	29.1%
Not A U.S. Citizen	4.8%	7.3%	19.3%	24.5%	20.7%	14.0%	9.5%

Source: Employment Development Department

Educational Attainment

- According to the BLS, increased education is often associated with both higher wages and lower unemployment. The BLS also found that among the employed, the likelihood of working in a management, professional, or related occupation increases with educational attainment. By contrast, the likelihood of working in service occupations; natural resources, construction, and maintenance occupations; and production, transportation, and material moving occupations decreases by educational attainment.

- Just over one-third (34.1 percent) of all California's working-age population, those age 16 and older, had a bachelor's degree or higher in August 2021 and an additional 8.2 percent had earned an associate degree. In numerical terms, over 10 million California's had earned a bachelor's degree or higher and 2.5 million had earned an associate degree.

- In contrast, nearly 25 percent (24.5 percent) of California's working-age population earned a high school diploma only and just over 15 percent (15.6 percent) never graduated high school. In addition, nearly 18 percent (17.7 percent) of Californians earned a high school diploma and had some college experience.

- Among racial and ethnic groups, educational attainment patterns varied considerably. Asians tended to have the highest educational attainment among California racial and ethnic groups. Just under 60 percent (59.9 percent) of California Asians had an associate degree or higher, with 53.7 percent of them having a bachelor's degree or higher.

- Hispanics tended to have the lowest educational attainment levels among California's racial and ethnic groups in August 2021 with 6 out of every ten (60.8 percent) Hispanics 16 years and older had not graduated high school or had only a high school diploma. The percent shares of those who had a high school diploma (31.4 percent) and those that did not complete high school (29.4 percent) were roughly similar.

- The shares of Black and White Californians who had an associate degree or higher were nearly identical at 39.2 and 39.1 percent, respectively, but a slightly higher share of Whites (30.8 percent) than Blacks (28.8 percent) had a bachelor's degree or higher. In addition, Blacks (10.4 percent) had a slightly higher share of persons with an associate degree than Whites (8.3 percent).

- In terms of national origin, native-born Californians tended to have higher educational attainment levels than the foreign-born. One out of every three (35.5 percent) native-born Californians held a bachelor's degree or higher and just over nine percent held an associate degree (9.1 percent) in August 2021. In addition, 9.9 percent of native Californians did not complete high school and 24.4 percent held a high school diploma alone. In sharp contrast, over half (53.7 percent) of foreign-born Californians had either never completed high school (29.0 percent) or only attained a high school diploma (24.7 percent).

Table 22

Demographic Characteristics of Californians by Educational Attainment (16 Years and Older)

(August 2021, 12-Month Average of Current Population Survey Data)

	All Educational Attainment Groups Number	**Did Not Complete High School** Number	**High School Diploma, No College** Number	**High School Graduate, Some College** Number	**Associate Degree** Number	**Bachelor's Degree or Higher** Number
All Demographic Groups*	**31,154,800**	**4,873,800**	**7,622,100**	**5,501,300**	**2,541,200**	**10,616,400**

	All Educational Attainment Groups Number	**Did Not Complete High School** Number	**High School Diploma, No College** Number	**High School Graduate, Some College** Number	**Associate Degree** Number	**Bachelor's Degree or Higher** Number
no data	no data	no data	no data	no data	no data	no data
Gender						
Male	15,253,200	2,495,300	3,938,400	2,723,400	1,118,500	4,977,600
Female	15,901,600	2,378,500	3,683,700	2,777,900	1,422,700	5,638,800
no data	no data	no data	no data	no data	no data	no data
Race	no data	no data	no data	no data	no data	no data
White	22,485,400	3,865,800	5,711,300	4,113,800	1,863,700	6,930,800
Black	1,980,600	219,600	545,900	438,700	205,500	570,900
American Indian, Alaskan Native	502,300	127,300	145,700	99,300	49,500	80,500
Asian	5,091,000	495,100	932,600	613,800	316,800	2,732,800
Hawaiian/Pacific Islander	207,600	26,000	62,700	39,700	28,200	51,000
One or more races	n/a	n/a	n/a	n/a	n/a	n/a
Ethnicity	no data	no data	no data	no data	no data	no data
Latino/Hispanic	11,575,400	3,397,900	3,636,600	2,074,000	804,300	1,662,700
Non-Hispanic	19,579,400	1,475,900	3,985,600	3,427,300	1,736,900	8,953,700
no data	no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data	no data
Native-Born	21,689,500	2,141,400	5,299,700	4,586,100	1,966,400	7,695,900
Foreign-Born	9,465,800	2,749,100	2,334,200	905,600	566,200	2,910,700

	All Educational Attainment Groups Share (%) of Demographic Group	Did Not Complete High School Share (%) of Demographic Group	High School Diploma, No College Share (%) of Demographic Group	High School Graduate, Some College Share (%) of Demographic Group	Associate Degree Share (%) of Demographic Group	Bachelor's Degree or Higher Share (%) of Demographic Group
All Demographic Groups*	**-**	**15.6%**	**24.5%**	**17.7%**	**8.2%**	**34.1%**
no data	no data	no data	no data	no data	no data	no data
Gender	no data	no data	no data	no data	no data	no data
Male	-	16.4%	25.8%	17.9%	7.3%	32.6%
Female	-	15.0%	23.2%	17.5%	8.9%	35.5%
no data	no data	no data	no data	no data	no data	no data
Race	no data	no data	no data	no data	no data	no data
White	-	17.2%	25.4%	18.3%	8.3%	30.8%
Black	-	11.1%	27.6%	22.1%	10.4%	28.8%
American Indian, Alaskan Native	-	25.3%	29.0%	19.8%	9.9%	16.0%
Asian	-	9.7%	18.3%	12.1%	6.2%	53.7%
Hawaiian/Pacific Islander	-	12.5%	30.2%	19.1%	13.6%	24.6%
no data	no data	no data	no data	no data	no data	no data
Ethnicity	no data	no data	no data	no data	no data	no data
Latino/Hispanic	-	29.4%	31.4%	17.9%	6.9%	14.4%
Non-Hispanic	-	7.5%	20.4%	17.5%	8.9%	45.7%
no data	no data	no data	no data	no data	no data	no data
National Origin	no data	no data	no data	no data	no data	no data
Native-Born	-	9.9%	24.4%	21.1%	9.1%	35.5%
Foreign-Born	-	29.0%	24.7%	9.6%	6.0%	30.7%

Source: Employment Development Department.

[1] The minimum wage in California rose to $12 an hour on January 1, 2019.

[2] Persons under the age of 25 are excluded from the analysis to filter those who are still attending school from the analysis.

Target Populations

Veterans

- According to the U.S. Department of Veterans Affairs, a veteran is defined as a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

- There were 1.3 million veterans in California in August 2021, and this total accounted for 7.5 percent of the nation's veterans (18.6 million). Just over 90 percent (91.8 percent) or 1.2 million of the state's veterans were men and 8.2 percent or 114,100 were women.

- In August 2021, just over 67 percent (67.4 percent) of veterans residing in the Golden State were 55 years and older. One out of every five (22.8 percent) veterans were between the ages of 35 and 54. Veterans between the ages of 18 and 34 accounted for the smallest share of the state's veterans, 9.8 percent, in August 2021.

- In terms of time period of service, 31.9 percent or 443,000 of the state's veterans served honorably in the Vietnam era which extended from August 1964 to April 1975. Just over 20 percent (21.9 percent) of the state's veterans served from September 2001 or later. Veterans that served between May 1975 and July 1990 accounted for 18.4 percent or 255,000 of the state's vets.

- According to the U.S. Department of Veterans Affairs, veterans bring a host of qualities and traits that today's employers demand from their respective workforce. These qualities and traits include, but are not limited to: trust, self-motivation, confidence, being mission-driven, having gold-standard work ethic, loyalty, respect, ability to improvise, discipline, teamwork, and the ability to lead.

- According to the U.S. Census Bureau, in August 2021, 587,300 veterans were employed within the state of California. The largest concentrations of employed veterans were in the following industries: public administration (98,600); health care and social assistance (59,800); durable goods manufacturing (51,200); professional and technical services (50,900); and construction (50,800).

- In August 2021, just over 15 percent (15.1 percent) or 88,700 of veterans were employed in a management occupation in California and these types of jobs can range from emergency management directors to general and operations managers. Sizeable numbers of employed veterans were employed in occupations focused on the following: sales (62,100); office and administrative support (43,200); installation, maintenance, and repair (40,000); protective service (39,200); and business and financial operations (38,900).

Immigrant (foreign-born) workers

- The U.S. Census Bureau uses the term foreign-born to refer to anyone who is not a U.S. citizen at birth. This includes naturalized U.S. citizens, lawful permanent residents (immigrants), temporary migrants (such as foreign students), humanitarian migrants (such as refugees), and unauthorized migrants.

- In August 2021, California's civilian labor force was made up of 5.2 million employed and 460,900 unemployed foreign-born persons. In addition, the unemployment rate and labor force participation rate for foreign-born workers was 8.1 percent and 60.6 percent, respectively.

- In August 2021, the largest number of foreign-born workers, 622,400, were employed within the health care and social assistance industry. This industry is comprised of establishments that specialize in providing services that range from ambulatory health care to community food and housing. It is worth noting that over 500,000 employed foreign-born workers were employed in either the professional and technical services (516,000) or construction (509,900) industries. In addition, 8.3 percent and 7.9 percent of the state's employed foreign-born workers were employed in the retail trade (436,700) or accommodation and food services (415,500) industries, respectively.

- In August 2021, over 1.3 million of the state's foreign-born workforce were employed in either a management (467,100), transportation and material moving (462,200), or construction and extraction (429,800) occupation. Over 350,000 of the employed foreign-born held a job related to office and administrative support (for example, accounting clerks), building and grounds cleaning (for example, landscaping workers), or sales (for example, insurance sales agents). The fewest numbers of foreign-born workers were employed in protective service (37,900) and legal (22,700) occupations.

Californians with Disabilities

- The U.S. Department of Housing and Urban Development (HUD) defines a person with a disability as any person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment. Examples of major life activities include: walking, talking, seeing, breathing, performing manual tasks, or caring for oneself.

- In August 2021, there were 3.0 million persons with a disability in the Golden State. Persons with disabilities made up 2.8 percent or 546,200 members of the state's civilian labor force which was comprised of 18.9 million persons. The civilian labor force for persons with disabilities was made up of 470,100 employed and 76,100 unemployed persons. The unemployment rate and labor force participation rate for this segment of the California labor force stood at 13.9 percent and 18.1 percent, respectively, in August 2021.

- For persons with disabilities, the largest number of employed persons worked within the health care and social assistance (71,900) and retail trade (55,400) industries in August 2021. In addition, over 30,000 employed persons with disabilities held jobs in the following industries: professional and technical services (39,700); construction

(34,700); educational services (33,300); public administration (31,100); and accommodation and food services (30,600) industries.

- In terms of the jobs most often held by employed persons with disabilities, management (58,000) and sales (51,100) occupations had the highest concentration of workers in August 2021. Also, employed persons with disabilities held over 30,000 office and administrative support (36,700) and transportation and material moving (32,600) jobs in the Golden State.

- In August 2021, one out of every five (21.6 percent) or 652,600 persons with a disability had attained a bachelor's degree or higher. A breakout of this collective level of educational attainment is as follows: bachelor's degree (431,300); master's degree (159,800); doctorate degree (30,800); and professional degree (30,700). Nearly 30 percent (29.1 percent) of persons with a disability in California had attained a high school diploma or equivalent and 21.0 percent or 634,700 persons with a disability had not completed high school.

Californians with Disabilities by Age and Type of Disability

- According to the BLS, nationwide, persons with disabilities reported that their own disability, lack of education or training, lack of transportation, and the need for special features at the job were some of the barriers they faced to finding a job. In addition, among persons with a disability who were employed, over half experienced some difficulty completing their work duties because of their disability.

- According to the 12-month average data from the CPS, among Californians 16 years and older, there were 3.0 million people with a disability in the State in August 2021. They comprised 9.7 percent of California's working age population.

- Persons with disabilities can have more than one type of disability. The most commonly cited type of disability in August 2021 was difficulty walking or climbing stairs (1.6 million persons), followed by difficulty doing errands (1.2 million persons), and difficulty remembering or making decisions (1.0 million persons).

- In terms of age cohorts, Californian's age 75 and over comprised the largest number (940,000 persons) of persons with a disability in California in August 2021. Furthermore, among the 3.0 million persons with a disability in the Golden State, just over 51 percent (51.5) were 65 years and older. In contrast, younger persons age 16 to 24 made up the smallest number of persons with a disability (174,500).

- The CPS data suggests a strong relationship between advancing age and the incidence of having a disability. Less than 4 percent (3.8 percent) of the State's persons between the ages of 16 and 24 reported having a disability in August 2021. This is in stark contrast to just over 38 percent (38.2 percent) of persons 75 years and over reporting to have a disability. The disability most often cited by persons 75 years and over are as follows: difficulty walking or climbing stairs (606,600 persons), difficulty doing errands (472,300 persons), or deafness or serious difficulty hearing (411,500 persons).

Table 23

Californians with Disabilities by Age and Type of Disability

(August 2021: 12-Moving Average Current Population Survey Data)

	All Ages Number	**16 to 24** Number	**25 to 34** Number	**35 to 44** Number	**45 to 54** Number	**55 to 64** Number	**65 to 74** Number	**75 and Over** Number
All Persons	31,154,800	4,560,400	5,787,000	5,241,300	4,777,000	4,723,200	3,603,600	2,462,400
no data	no data	no data	no data	no data	no data	no data	no data	no data
Doesn't Have a Disability	28,139,600	4,385,900	5,560,500	5,010,400	4,488,400	4,182,100	2,990,000	1,522,400
Has a Disability	3,015,200	174,500	226,500	230,900	288,600	541,100	613,600	940,000
no data	no data	no data	no data	no data	no data	no data	no data	no data
Share (%) of Age Cohort Having a Disability	**9.7%**	**3.8%**	**3.9%**	**4.4%**	**6.0%**	**11.5%**	**17.0%**	**38.2%**
no data	no data	no data	no data	no data	no data	no data	no data	no data
Type of Disability								
Difficulty Walking or Climbing Stairs	1,666,200	20,200	60,000	88,800	159,000	347,100	384,600	606,600
Difficulty Doing Errands	1,241,900	75,300	106,600	80,000	115,600	199,300	192,600	472,300
Difficulty Remembering or Making Decisions	1,020,600	136,600	129,000	104,800	123,900	157,600	122,500	246,100
Deafness or Serious Difficulty Hearing	840,200	15,100	33,500	39,600	44,000	98,600	197,900	411,500
Difficulty Dressing or Bathing	630,900	23,400	38,000	46,100	58,100	116,500	95,400	253,400
Blindness or Difficulty Seeing	482,500	13,300	34,700	37,600	37,300	82,100	106,800	170,600

	All Ages Number	**16 to 24** Number	**25 to 34** Number	**35 to 44** Number	**45 to 54** Number	**55 to 64** Number	**65 to 74** Number	**75 and Over** Number
Without Glasses								

Age Distribution of Persons Who Have a Disability

Type of Disability	**All Ages Share (%)**	**16 to 24 Share (%)**	**25 to 34 Share (%)**	**35 to 44 Share (%)**	**45 to 54 Share (%)**	**55 to 64 Share (%)**	**65 to 74 Share (%)**	**75 and Over Share (%)**
Difficulty Walking or Climbing Stairs	100%	1.2%	3.6%	5.3%	9.5%	20.8%	23.1%	36.4%
Difficulty Doing Errands	100%	6.1%	8.6%	6.4%	9.3%	16.0%	15.5%	38.0%
Difficulty Remembering or Making Decisions	100%	13.4%	12.6%	10.3%	12.1%	15.4%	12.0%	24.1%
Deafness or Serious Difficulty Hearing	100%	1.8%	4.0%	4.7%	5.2%	11.7%	23.6%	49.0%
Difficulty Dressing or Bathing	100%	3.7%	6.0%	7.3%	9.2%	18.5%	15.1%	40.2%
Blindness or Difficulty Seeing Without Glasses	100%	2.8%	7.2%	7.8%	7.7%	17.0%	22.1%	35.4%

Source: U.S. Census Bureau; Employment Development Department.

Youth Employment

- According to the U.S. Census Bureau, in August 2021, young workers (persons between the ages of 16 and 24) accounted for 11.6 percent or 2.1 million members of the state's civilian labor force (18.9 million persons). Just over ten percent (10.8 percent) of the total number of employed persons (17.3 million) within the Golden State were young people. In addition, one out of every five unemployed Californians (20.0 percent) were younger people. As of August 2021, the unemployment rate and labor force participation rate for younger workers stood at 14.6 percent and 48.1 percent respectively.

- Generally speaking, younger workers tended to be employed in industries where entry-level employment did not require a postsecondary education or advanced technical training and skills. For example, four out of every ten or 42.8 percent of employed younger workers had jobs within either the retail trade (412,000) or accommodation

and food services (390,600) industries. The types of jobs within these industries can range from cashier to short order cook.

- In August 2021, over 300,000 of California's younger workers were employed in a sales and related occupation. The types of jobs included in this occupational group include, but are not limited to: cashiers, counter and rental clerks, and first-line supervisors of retail sales workers. Over 200,000 younger workers were employed in food preparation and serving (276,500), office and administrative support (250,300), and transportation and material moving (215,000) jobs.

In-Migration

- Migration is defined as the movement of people from one location to another permanent place of residence. The reasons why people migrate are due to push and pull factors. Push factors such as retirement, movement of a business, or lack of work often drive people from their current place of residence. A healthy economy and a pleasant climate are examples of pull factors that attract people to new locations.

- The Public Policy Institute of California (PPIC) found that people who move to California are different from those who move out. In general, those who move to California are more likely to be working age, employed, and earning high wages—and are less likely to be in poverty—than those who move away. In addition, those who move to California also tend to have higher education levels than those who move out.

- According to the latest figures from the U.S. Census Bureau's American Community Survey, 480,200 people migrated out of California in 2019 and 653,600 migrated in from another state. According to the latest estimates, between 2017 and 2019, the number of people migrating out of the state declined by 42,900 people. Over this two-year period, migration into the Golden State decreased from 661,000 in 2017 to 653,600 in 2019, a net change of roughly 7,400 people.

- In 2019, Californians that moved out of the state tended to gravitate towards the states of New York (37,600), Texas (37,000), and Washington (31,900). One out of every five (22.2 percent) Californians that migrated out of the state moved to one of these three states.

- California attracted 653,600 residents from across the country in 2019 and these residents previously resided in the states of Texas (82,200), Arizona (59,700), Nevada (47,300), and Washington (46,800). One in three persons (36.1 percent) that migrated into California that year came from one of these four states.

Justice Involved Individuals

- According to Brooking Institution research, over 640,000 formerly incarcerated individuals return to communities across the United States each year and more than half of the formerly incarcerated are unable to find stable employment within their first year of return to society.

- Barriers to employment are any of the job candidates' attributes (e.g., skills, experience, and work history) that may hinder their chances for acquiring gainful employment. California's ex-offenders are challenged by barriers such as a limited education, a lack of work experience, and negative stigmas when trying to find a job in today's economy.

- However, according to the Brooking Institution, research has demonstrated that health, housing, skill development, mentorship, social networks, and the collaborative efforts of public and private organizations collectively improve the reentry experience; improving the chances of acquiring stable employment.

- California's Department of Corrections and Rehabilitation (CDCR) data on parolees provides insight into the number of persons being released from confinement in state prison. This information helps to gauge the number of ex-offenders that may have sought entry into the state's labor force within a given year. According to the latest data from CDCR, from June 2018 to June 2019, the total active parolee population increased from 47,370 to 50,822.

- In terms of demographics, 17.7 percent of parolees (8,980) in California were between the ages of 25 and 29 years old. In addition, parolees between the ages of 18 and 49 made up over three-quarters (78.1 percent) of the active parolee population in 2019.

- The counties that had the largest concentrations of the state's 50,822 parolees in 2019 were as follows: Los Angeles (16,002), San Bernardino (3,689), Sacramento (3,442), Riverside (3,246), San Diego (3,019), and Orange (2,371). All of the state's remaining counties made up 19,053 or 37.5 percent of the remaining total that year.

Homelessness

- The U.S. HUD defines a homeless person as one who lacks a fixed, regular, and adequate nighttime residence. HUD estimated that in 2020 there were 580,466 homeless people in the U.S. and 61.0 percent (354,386) of them were sheltered and 39.0 percent (226,080) were unsheltered. Between 2019 and 2020, people experiencing homelessness increased by 12,751 people. The age cohorts of the nation's homeless people in 2020 are as follows: Over the age of 24 (428,859), under the age of 18 (106,364), and between the ages of 18 and 24 (45,243).

- In 2020, there were 161,548 homeless people in California, and among this total, 113,660 were unsheltered and 47,888 were sheltered. In 2020, California accounted for more than half of all unsheltered people in the country. Between 2019 and 2020, the number of homeless people in California increased by 6.8 percent or 10,270 people. In five major cities in California, more than 80 percent of homeless individuals were unsheltered: San Jose (87.0 percent), Los Angeles (84.0), Fresno (84.0), Oakland (82.0), and Long Beach (81.0).

- California accounted for 15 percent of people in families experiencing homelessness in the U.S (25,777). The state had a net increase of 3,276 in its population of families experiencing homelessness between 2019 and 2020. The state also accounted for 31

percent of all veterans experiencing homelessness in the United States in 2020 (11,401 veterans) and more than half of all were unsheltered (7,996 veterans). Between 2019 and 2020, the state experienced a net increase of 421 homeless veterans.

- In addition, four of every ten individuals with chronic patterns of homelessness in the United States were in California (48,812 people), and among this group, 40,776 were unsheltered. Between 2019 and 2020, the state's number of chronically homeless individuals increased by 9,537.

Skills Gaps

While state level labor market data can provide helpful insight into employer needs and potential workforce skill gaps at a macro level, due to the sheer complexity of California's economy, skills gap assessments are most accurate and reflective of the diversity of the state when conducted at the regional level.

For this reason, Local Workforce Boards are required to engage with other core program partners and employers within their RPUs to conduct a regional analysis of economic conditions as a part of the WIOA Regional Planning process. This analysis must include, but is not limited to, the following:

- An analysis of the regional workforce which includes current labor force employment and unemployment data;
- Information on labor market trends;
- Educational and skill levels of the workforce, including individuals with barriers to employment.

California believes that conducting these assessments as part of a meaningful regional planning effort drives regional sector career pathways that are comprised of the following components: multiple on- ramps to enter and exit with industry recognized credentials; active participation by employers for training and placement; innovations in program content and delivery for upskilling; and integrated support services, including academic and safety-net resources.

2. WORKFORCE DEVELOPMENT, EDUCATION AND TRAINING ACTIVITIES ANALYSIS

Below is an overview of key workforce and education activities, the client populations served by the activities, and an assessment of the strengths and opportunities of the programs and departments that participate in the administration, oversight, and policy development of the activities.

California Workforce Development Board

The California Workforce Development Board (CWDB) is the Governor's agent for the development, oversight, and continuous improvement of California's workforce investment system. The members of the CWDB, which consist primarily of representatives from businesses, labor organizations, educational institutions, and community organizations, assist the Governor in designing a statewide plan and establishing appropriate program policy. The CWDB reports to the Governor through the Chair of the CWDB, Secretary for the Labor and Workforce Development Agency, and Executive Director who provide oversight of the CWDB members and staff to ensure that policy recommendations are consistent with the Governor's vision for the state.

Clients/Service Population: The CWDB does not directly deliver services to a client population. The CWDB's primary responsibility is to set policy for Workforce Innovation and Opportunity

Act (WIOA) Title I programs and to work with WIOA core program and other state plan partners to align programs and services to build a comprehensive system.

Strengths: Over the last several years CWDB has improved policy coordination and program alignment with WIOA core programs and other state plan partners at the state and local level.

Opportunities: The CWDB can increase its internal capacity for engaging with state agencies in the climate resilience arena in order to ensure a just transition for workers in climate impacted industries.

Local Workforce Development Boards

The state workforce development system is comprised of 45 Local Workforce Development Areas (Local Area), each with its own business-led Local Workforce Development Board (Local Board). Local Boards focus on strategy and, in partnership with the Governor and chief local elected officials, facilitate public-private partnerships that support sector strategies and career pathways. They work to advance opportunities for all workers, create access to available skilled labor for business, foster innovation and ensure streamlined operations and service delivery excellence.

Critical to their charge is their oversight of the local America's Job Centers of California (AJCC) which are the hub of the statewide service delivery vehicle for workforce, education, and business services. Workforce funds allocated to Local Boards support the job training, placement, and business services delivered though the AJCCs. These AJCCs, through partnerships with other local, state and federal agencies, education and economic development organizations provide services vital to the social and economic well-being of their communities.

Clients/Service Population**:** Local Boards provide services annually to millions of adult, dislocated worker, youth, and universal access clients through the AJCCs and California Job Openings Browse System (CalJOBS℠) labor exchange system. Local Boards assist an estimated 65,000 businesses annually in the hiring and retention of skilled workers.

Strengths: Local Boards have experience braiding resources and integrating service delivery through the AJCC system. Local Boards also have connections to their local communities, and have experience with administering state and local led regional initiatives, including sector and career pathway strategies

Opportunities: Local Boards can increase client access to training and education programs that align with regional labor market dynamics, including apprenticeship programs and career pathway programs that grant "stackable" credentials.

Employment Development Department

The Employment Development Department (EDD) administers WIOA Title I, Wagner-Peyser, Labor Market Information Division, Disability Insurance, Paid Family Leave, Unemployment Insurance (UI), Trade Adjustment Assistance, and the Jobs for Veterans State Grant, among other programs. EDD is also California's major tax collection agency, administering the audit and collection of payroll taxes and maintaining the employment records for more than 17 million California workers. One of the largest departments in state government, handling over $90 billion annually, EDD has nearly 7,300 employees providing services at more than 200 locations throughout the state.

Clients/Service Population: EDD processes millions of initial unemployment insurance claims per year, over half a million disability insurance claims, and provides job services to 1.5 million people through Wagner-Peyser programs. EDD also administers programs that are targeted towards youth, people with disabilities, veterans, and workers who lose their jobs or whose hours of work and wages are reduced as a result of increased imports.

Strengths: CalJOBS℠-- EDD's online labor exchange system--is accessible to both employers and job seekers throughout the state. CalJOBS℠ contains over half a million job listings and is accessed by more than a million job seekers every year.

Opportunities: EDD is continuing to work to more fully integrate Wagner-Peyser staff into the AJCC system and comply with mandatory partnership requirements pertaining to how UI recipients are served.

Employment Training Panel

The Employment Training Panel (ETP) is a statewide business-labor incumbent worker training and economic development program. ETP supports economic development in California through strategic partnerships with business, labor, and government, and through the provision of financial assistance to California businesses to support customized worker training programs that attract and retain skilled workers and businesses; provide workers with secure jobs that pay good wages and have opportunities for advancement; assist employers to successfully compete in the global economy; and promote the benefits and ongoing investment in employee training among employers.

Clients/Service Population: ETP serves over 400 employers a year and 60,000 incumbent workers who receive training. To date, ETP has provided approximately $1.6 billion for the successful training and employment retention of over 1.2 million workers employed by over 84,000 California businesses.

Strengths: The "pay-for-performance" nature of ETP contracts helps facilitate close to an 80 percent retention rate for trained employees, resulting in both layoff aversion and business expansion. ETP's contracts follow a pay-for-performance model, where employers earn funds as they complete employee training and retention benchmarks. ETP's program is strong in employer engagement, with businesses developing their own customized training programs, and with ETP's extensive outreach to, and participation of, their stakeholder employers. ETP also has strong relationships with the California Community Colleges (CCC), trade associations, and labor unions across the state. ETP is also currently developing a new computer system for both staff and customer use which will modernize their program.

Opportunities: ETP recognizes the need to focus more strategically on career pathways and industry sector engagement. ETP also has the goals of increasing their strategic partnerships with other state agencies including the CWDB, and with streamlining and modernizing their program requirements.

California Community Colleges

California Community Colleges' Chancellor's Office (CCCCO) is the state agency for providing administration and direction for the CCC postsecondary Career Technical Education (CTE) programs, including the apprenticeship and the adult education programs. The Workforce and Economic Development Division (WEDD), within the CCCCO, is responsible for administration and program oversight of postsecondary CTE programs, including the apprenticeship, the adult education programs, and the Strengthening Career and Technical Education for the 21st Century Act (referred to as Perkins V). The Division's portfolio consists of the Strong Workforce Program, California Adult Education Program, California Apprenticeship Initiative, Nursing, and the Economic Workforce Development Program.

Clients/Service Population: California's 115 community colleges offer 350 different fields of study, 8000 certificate programs, and 4,500 associate degree programs. More than a quarter of the state's 2.1 million community college students enroll in a community college CTE course.

Strengths: Community colleges offer low cost education programs that are accessible to the public, including populations with barriers to employment. Many community colleges have

strong partnerships with Local Boards and locally administered CalWORKs programs. The CCCCO investments are guided by the Vision for Success, a bold strategic plan with clear priorities and goals. The CCCCO also has a regional model that is designed to address the diverse communities and their workforce needs across the state. The regional model and employer engagement focus allows the CCC to better align programs and curricula with regional labor markets, build stronger regional partnerships, and provide more robust supportive services. Community colleges also have a variety of programs designed to serve populations with barriers to employment including Disabled Student Programs and Services, CalWORKs, Extended Opportunity Programs and Services, Cooperative Agencies Resources for Education Program, Foster and Kinship Care Education and Foster Youth Success Initiatives.

Opportunities: The CCCCO's set of broad reforms underway has create an environment where campuses are carefully examining the student journey and changing how supports and services are designed and offer to increase retention, completion, transfer and achieving employment goals. Strengthening employer engagement activities, and conversations on competency based education and credentials attainment, as well as the intention to better align career pathways between K12 and CCC will further improve student outcomes and sustainability of CTE programs.

California State Board of Education and Department of Education

The State Board of Education (SBE) is the K-12 policy-making body for academic standards, curriculum, instructional materials, assessments and accountability. The SBE adopts instructional materials for use in grades kindergarten through eight. The SBE also adopts regulations to implement a wide variety of programs created by the Legislature, such as charter schools, and special education. In addition, the SBE has the authority to grant local education agency requests for waivers of certain provisions of the state Education Code, and acts on petitions to unify or reorganize school district boundaries. Finally, the SBE is officially the designated "State Education Agency" that is charged with providing policy guidance to the state and local education agencies regarding federal education policies and programs such as the Elementary and Secondary Education Act, Perkins V, WIOA, and the Individuals with Disabilities Education Act.

The California Department of Education (CDE) is the administrative and oversight body for K-12 programs, including CTE and adult education and literacy programs in California. Four divisions within the CDE have program responsibilities associated, directly and/or indirectly, with WIOA. These divisions include the Career and College Transition Division, the Special Education Division, the English Learner and Support Division, and the Coordinated Student Support Division.

Clients/Service Population: Transition services are provided to 137,000 Students with Disabilities statewide, including 94,000 served by WorkAbility 1 programs; 18,314 at-risk students are served through county run juvenile justice facilities and county community schools; over three-quarters of a million students are served under adult education including basic skills, English Language Acquisition, CTE, Adults with Disabilities, and family literacy programs. CDE also oversees CTE programs serving 970,000 secondary students and 59,000 adult CTE students.

Strengths: In both adult education and CTE, there is a focus on regional collaboration including K–12 programs, adult education, community college non-credit and credit programs, and partnerships with higher education to develop and integrate standards-based academics with career relevant, industry-themed pathways and work-based learning opportunities that are aligned to high-need, high-growth, or emerging regional economic sectors. The CDE has also developed a strong community of practice related to secondary transitions and has integrated work based learning approaches for students with disabilities; ensured WIOA Title II grantees have the flexibility to match curriculum with the goals and objectives of other WIOA funded

programs; and implemented an evaluation process for the Coordinated Student Support programs.

Opportunities: Access to supportive services for students such as counseling, childcare, and transportation services could be addressed by better coordination at the state, local, and regional level between programs overseen by CDE, human service programs, and other workforce and education programs. CDE also lacks common student identifiers across educational segments which creates obstacles to data matching and tracking individuals into the labor market.

Governor's Office of Business and Economic Development

The Governor's Office of Business and Economic Development (GO-Biz) serves as the State of California's leader for job growth and economic development efforts. GO-Biz offers a range of services to business owners including: attraction, retention and expansion services, site selection, permit streamlining, clearing of regulatory hurdles, small business assistance, international trade development, assistance with state government, and much more.

Clients/Service Population: GO-Biz works directly with businesses to help organizations understand opportunities to start, maintain, and grow operations in California. This assistance includes, but is not limited to: site selection, permit assistance, international trade development, connectivity to strategic partnerships, information on incentive programs, and referrals to local and state business assistance resources. In addition to direct business assistance, GO-Biz also administers and supports programs led by regional business assistance and economic development organizations.

Strengths: Through its direct interactions with California businesses of all sizes and industry sectors, GO-Biz helps businesses communicate their workforce development needs to the ETP, Local Boards, educational institutions, and training providers. In conjunction with its local, regional and state partners, GO-Biz connects businesses with workforce needs to applicable resources. In collaboration with the network of workforce programs and institutions, GO-Biz assists in elevating the demands for the needed talent pipeline for our current and future employers and in identifying the emerging needs of future industries. GO-Biz's business engagement allows early recognition of the emerging workforce needs for the future and advances those needs to the California Labor and Workforce Development Agency, local partner organizations, and educational systems to develop the necessary skills to create the workforce of the future.

Opportunities: GO-Biz has the opportunity to increase its reach to a wider audience of business, education and training partners and to coordinate business assistance activities with state, regional and local partners.

Department of Rehabilitation

The mission of Department of Rehabilitation (DOR) works in partnership with consumers and other stakeholders to provide services and advocacy resulting in employment, independent living, and equality for individuals with disabilities in California. The DOR administers the largest vocational rehabilitation (VR) program in the country and delivers VR services to persons with disabilities in offices throughout the state so that persons with disabilities may prepare for and engage in competitive integrated employment and achieve economic self-sufficiency. In addition, DOR has cooperative agreements with state and local agencies (secondary and postsecondary education, mental health, and welfare) to provide services to consumers. The DOR operates under a federal Order of Selection (OOS) process, which gives priority to persons with the most significant disabilities.

Persons with disabilities who are eligible for DOR's VR services may be provided a full range of services, including vocational assessment, assistive technology, vocational and educational

training, job placement, supported employment and independent living skills training to maximize their ability to live and work independently within their communities. The DOR provides career counseling and information and referral services to encourage individuals working in non-competitive, non-integrated settings to work toward and achieve competitive integrated employment.

Client/Service Population: In federal fiscal year 2019, DOR provided a range of VR services to approximately 111,000 individuals with disabilities, of which approximately 29,600 were students with disabilities. The disability types of those individuals determined eligible for VR services includes: 4,900 who were blind or visually impaired; 6,500 with cognitive disabilities; 15,100 with learning disabilities; 13,600 with intellectual or developmental disabilities; 5,600 deaf or hard of hearing individuals; 16,100 with physical disabilities; 25,700 with psychiatric disabilities; 1,100 with traumatic brain injury; and 1,900 individuals with other disabilities.

Strengths: DOR employs qualified VR professionals and paraprofessionals who work with individuals with disabilities to find a career track with upward mobility offering sustainable living wages. The VR professionals are trained in assessment, career planning, job placement, and assistive technology services to meet the employment needs of eligible individuals with disabilities. DOR utilizes a consumer-centered approach to service delivery by employing VR professionals and VR paraprofessionals to deliver effective and timely consumer services throughout the state, including students with disabilities. DOR also maintains a network of partnerships with community-based disability organizations and other public agencies, including high schools, community colleges, universities, and county mental health agencies to provide a greater range of employment services and opportunities to DOR consumers than would otherwise be available through any single agency.

Opportunities: Under federal law, VR programs must redirect 15 percent of funds from traditional VR services to pre-employment transition services for students with disabilities. There is an active risk that DOR will not have sufficient funds and human resources to provide VR services to all individuals with significant disabilities who apply for services. The DOR has been operating under an OOS process since September 1995. Insufficient funding may mean further limiting the OOS and access to VR services.

CalWORKs

The California Work Opportunity and Responsibility to Kids (CalWORKs) program is a part of the federal Temporary Assistance to Needy Families (TANF) program and operates in all fifty-eight counties providing temporary cash assistance to meet family basic needs and welfare-to-work services to help families become self-sufficient. CalWORKs programs are able to provide a wide array of services, including education and training, ancillary supportive services such as childcare and transportation support, and help with domestic violence and substance abuse issues.

Clients/Service Population: The CalWORKs caseload is approximately 530,000 cases, which equates to about 1.2 million Californians. Approximately 270,000 of these cases are eligible for welfare-to-work programs.

Strengths: CalWORKs has a robust subsidized employment program and has substantial flexibility in the types of services it can provide. CalWORKs has an existing relationship with community colleges to provide support for CalWORKs recipients enrolled in academic and career pathway programs. While maintaining the work-first policies of TANF, recent changes in CalWORKs have increased the emphasis towards a work-focused, skills attainment, and barrier removal agenda to ensure that TANF recipients are positioned to achieve long-term successful outcomes and upward mobility.

Opportunities: CalWORKs serves a higher percentage of needy families than the rest of the nation. CalWORKs is designed primarily to combat child poverty by continuing to aid children

even when the adults cannot (e.g., due to time limits or exemptions) or do not participate in the welfare-to-work program. CalWORKs serves many exempt adults with significant barriers to employment.

CalFresh Employment & Training

The Supplemental Nutrition Assistance Program Employment and Training program (CalFresh E&T) is a state-supervised program of employment and training services offered voluntarily at the county level to CalFresh recipients. CalFresh E&T's strategic goals are focused around a central vision to increase the employment and earning capacity of CalFresh recipients by maximizing their access to CalFresh E&T, supportive services, and skills and credentialing.

Client/Service Population: CalFresh E&T is made available to counties who voluntarily decide to provide CalFresh E&T services to eligible participants. Eligibility for CalFresh E&T is determined by the administering county. A participant is eligible for CalFresh E&T if they meet these requirements:

- Is a CalFresh reversal referral.
- Is an active CalFresh Recipient. Eligibility must be verified for each month of participation. In other words, you must be an active CalFresh recipient in order to receive services through CalFresh E&T.
- Is not actively receiving CalWORKs (also referred to as non-assistance CalFresh recipients).

Strengths: Counties have flexibility in designing their respective CalFresh E&T program, including who the counties partner with. Definitions and descriptions often align and are derived from WIOA language so that program alignment can be made easier at the local level.

Opportunities: The intensity of services can vary between counties resulting in lack of consistency in service quality depending on localized efforts and integrated partnership. There are also potential partners already providing E&T allowable services to eligible clients who are not able to access reimbursement funds due to contracting restrictions.

Department of Industrial Relations - Division of Apprenticeship Standards

The Department of Industrial Relations (DIR) - Division of Apprenticeship Standards (DAS) administers California apprenticeship law and enforces apprenticeship standards for wages, hours, working conditions and the specific skills required for state certification as a journeyperson in an apprenticeable occupation. DIR-DAS promotes apprenticeship training through creation of partnerships, consults with program sponsors and monitors programs to ensure high standards for on-the-job training and supplemental classroom instruction. Through this effort, the retiring skilled workforce is replenished with new skilled workers to keep California's economic engine running strong.

Clients/Service Population: DIR-DAS serves industry, educational institutions, government, and apprentice and journey level workers. California continues to lead the nation in apprenticeship, with 93,955 apprentices registered in 1,168 DAS-approved programs represented by 473 sponsors.

Strengths: The apprenticeship model has a proven track record of placing workers in high-wage, middle-skills career pathways. The apprenticeship system of training is efficient and cost-effective and results in higher retention rates, lower turnover, and reduced costs for recruitment of new employees. The curriculum and on-the-job training are guided by industry and meet industry needs. Apprenticeship connects employers with public education facilities for related classroom instruction. Furthermore, nearly 70% of apprentices are people of color.

Opportunities: The majority of existing apprenticeship programs are established for occupations in the construction and building trades. Women continue to be underrepresented in many apprenticeship programs.

Department of Child Support Services

The Department of Child Support Services (DCSS) works with parents, custodial and non-custodial, and legally acknowledged guardians to ensure children and families receive court-ordered financial and medical support. DCSS' mission is to promote parental responsibility to enhance the well-being of children by providing child support services to establish parentage and collect child support, with the vision that all parents are engaged in supporting their children.

Clients/Service Population: DCSS works with parents, custodial and non-custodial, and legally acknowledged guardians to ensure children and families receive court-ordered financial and medical support.

Strengths: DCSS is exploring the use of behaviorally informed interventions to improve child support outcomes by focusing on areas to improve establishment and enforcement outcomes. The areas of focus are early engagement, right-sizing orders, reliable payment, family-centered services, and potentially customizing enforcement actions to accommodate parents taking advantage of workforce activities.

Opportunities: Local county child support agencies currently have limited access to data for clients that are referred to the workforce system. Increasing access will allow staff to assist individuals with child support obligations in obtaining permanent employment.

Senior Community Service Employment Program

The California Department of Aging (CDA) administers programs that serve older adults, adults with disabilities, family caregivers, and residents in long-term care facilities throughout the State. CDA contracts with the network of 33 Area Agencies on Aging, who directly manage a wide array of federal and state-funded services. The Senior Community Service Employment Program (SCSEP) provides eligible individuals part-time, subsidized job training through community service assignments at non-profit organizations or governmental entities. SCSEP aims to foster individual economic self-sufficiency and increase the number of persons who may benefit from unsubsidized employment in both public and private sectors, as well as strengthen self-sufficiency and provide support to organizations that benefit from increased civic engagement.

Client/Service Populations: Program-eligible older workers must be residents of California, 55 years of age or older, unemployed, and have total annual family income that does not exceed 125 percent of the federal poverty guidelines, currently $16,100 for an individual. Service priority is given to individuals meeting one or more of the following criteria:

- Is a veteran or a spouse of a veteran
- Is 65 years of age or older
- Has a disability
- Has limited English proficiency
- Has low literacy skills
- Resides in a rural area
- Has low employment prospects

- Has failed to find employment after utilizing services under WIOA Title I
- Is homeless or at risk for homelessness

Strengths: California is the most populous state in the country and has the highest number of SCSEP-eligible older individuals. Demographic shifts in the population mean that the demand for SCSEP services will likely increase. As the only federally mandated job training program targeted towards serving low-income workers age 55 years and older, SCSEP serves a dual purpose as a training program for low-income older workers and a source of subsidized staff trainees for community-based organizations. The Master Plan for Aging (MPA) outlines five bold goals and 23 strategies to build a California for all by 2023. One of the strategies is focused on preventing age discrimination and supporting the inclusion of older adults and people with disabilities in the workplace.

Opportunities: California's SCSEP has insufficient funding to support the program's allocated positions due to the disparity between the federal minimum wage of $7.25 per hour and the California state minimum wage of $14.00 per hour. State minimum wage increases have reduced or modified the number of CDA's allocated SCSEP positions by 51 percent, further destabilizing the program, reducing service capacity, and serving fewer older adults.

WIOA Section 166 - Indian/Native American Programs

The WIOA Section 166 Indian/Native American (INA) Program supports employment and training activities for Indian, Alaska Native, and Native Hawaiian people, helping more fully develop their academic, occupational and literacy skills to help them compete more effectively in the job market and achieve personal and economic self-sufficiency. There are eight WIOA Section 166 INA Employment and Training grantees in California that receive funding to provide services to Indian and other Native American populations in California.

Clients/Service Population: WIOA Section 166 INA Program serves Indians, Alaska Natives, and Native Hawaiians who are unemployed, or underemployed, or low-income individuals, or a recipient of a lay-off notice.

Strengths: The INA programs promote the economic and social development of Indian communities. Services are provided in a culturally appropriate manner, consistent with the principles of Indian self-determination.

Opportunities: The funding allocated to INA programs is insufficient to meet the needs of the population and improvements can be made in relation to co-enrolling the INA population through the AJCC system. Many INA grantees are located in rural areas and lack access to technology and support services, including transportation.

WIOA Section 167 - Farmworker Service Programs

The National Farmworker Jobs Program is a nationally-directed, locally-administered program of employment and training services for migrant and seasonal farmworkers. Created under the Economic Opportunity Act of 1964, and currently authorized under WIOA Section 167, the program seeks to counter the chronic unemployment and underemployment experienced by migrant seasonal farmworkers (MSFW) who depend primarily on seasonal jobs in California's agricultural sector. There are five WIOA Section 167 farmworker service programs represented statewide by La Cooperativa Campesina de California.

These programs provide services throughout California but especially in rural areas where farmworkers live and work. Training services include English as a Second Language, General Education Development, adult and family literacy, basic education, vocational education, and employer-based training. Related services such as childcare, transportation, emergency services, housing, counseling, job placement, and follow-up services enhance these training efforts.

Clients/Service Population: WIOA Section 167 grantees serve eligible migrant/seasonal farmworkers and their dependents. Eligible farmworkers are those individuals who primarily depend on employment in agricultural labor that is characterized by chronic unemployment and underemployment.

Strengths: WIOA Section 167 grantees have well-developed relationships with Local Boards and the AJCC system, provide occupational skills training, related supportive services, and housing assistance to the MSFW population. Many Section 167 grantees also list programs on the State Eligible Training Provider List and receive referrals from AJCCs.

Opportunities: The funding allocated to MSFW programs is insufficient to meet the needs of the population and many MSFWs have limited English language capacity and do not have access to supportive services, including transportation and child care, which limits opportunities for them to attain skills, credentials, and degrees from the "mainstream" educational system.

Jobs Corps

Job Corps is the nation's largest and most comprehensive residential education and job training program for at-risk youth, ages 16 through 24. Through a nationwide network of campuses, Job Corps offers a comprehensive array of career development services to prepare young people for successful careers. Job Corps employs a holistic career development training approach which integrates the teaching of academic, vocational, and employability skills, as well training in social competencies, through a combination of classroom, practical and work-based learning experiences to prepare youth for stable, long-term, high-paying jobs.

Clients/Service Population: Job Corps serves young men and women age 16-24 who are out of school and have barriers to employment.

Strengths: Job Corps is a comprehensive program which provides high school diploma and equivalency programs, occupational skills training, work readiness, and housing and supportive services to young men and women enrolled in the program.

Opportunities: Since Job Corps Centers are only located in some Local Areas, not all AJCCs can access and provide referrals to the services they provide.

Jobs for Veterans State Grants

The Jobs for Veterans State Grants (JVSG) program provides funding to state workforce agencies to hire dedicated staff to provide individualized career and training-related services to veterans and eligible persons with significant barriers to employment and to assist employers fill their workforce needs with job-seeking veterans. The Disabled Veterans' Outreach Program (DVOP) specialists focus is on providing individualized career services through case management whereas the Local Veterans' Employment Representatives (LVER) coordinate with local business service teams and members of the community to advocate to employers on behalf of veterans and to develop job opportunities specifically for veterans.

Services are provided to veterans and eligible persons according to their individual needs. Basic career services are universally accessible and are made available to all veterans seeking employment and training services in at least one comprehensive AJCC in each Local Area. On a priority of service basis, an AJCC staff member determines the eligible person's purpose for registering. Once the veteran or other eligible person is identified, a Veteran Service Navigator conducts an initial assessment. If they are deemed a veteran with a significant barrier to employment or other special criteria, they are referred to the DVOP specialist for further assessment and individualized career services.

Clients/Service Population: In addition to the universal access and priority of services provided to all veterans, the JVSG program is intended to target the following veterans with barriers to employment:

- A special disabled or disabled veteran which are those:
    - Who are entitled to compensation under laws administered by the Secretary of Veterans Affairs.
    - Were discharged or released from active duty because of a service-connected disability
- A veteran who is homeless
- A recently-separated service member, who has been unemployed for 27 or more weeks in the previous 12 months A veteran who is currently incarcerated or who has been released from incarceration
- A veteran lacking a high school diploma or equivalent certificate
- A veteran who is low-income
- Veterans aged 18–24
- Vietnam-era Veterans
- Transitioning members of the Armed Forces who have been identified as in need of Individualized Career Services
- Members of the Armed Forces who are wounded, ill, or injured and receiving treatment in military treatment facilities or warrior transition units
- The spouses or other family caregivers of such wounded, ill, or injured members.
    - The spouse of any of the following individuals:
    - Any veteran who died of a service connected disability
    - Any veteran who has a total disability resulting from a service- connected disability.
    - Any veteran who died while a disability so evaluated was in existence.
    - Any member of the Armed Forces serving on active duty who is listed, in one or more of the following categories and has been so listed for a total of more than 90 days:

1. Missing in action;
2. Captured in the line of duty by a hostile force; or
3. Forcibly detained or interned in line of duty by a foreign government or power.

<u>Strengths</u>: Since JVSG staff are required to be veterans, they have the opportunity to build rapport with their clients and assess not only their employment needs but also additional community resources. This allows DVOPS to provide veterans with comprehensive employment. LVERS have first-hand knowledge of the attributes a veteran can bring to a company and provide employers assistance on understanding how the veterans' military experience matches their needs.

<u>Opportunities</u>: JVSG is continuing to work on fully integrating the LVERs services into the Business Services platform in the AJCCs to promote hiring veterans to the employer community. In addition, DVOPS are continually working to integrate with all AJCC partners and community resources to better serve the veteran community to obtain meaningful and successful careers.

B. STATE STRATEGIC VISION AND GOALS

Under the leadership of the Governor and Secretary for the Labor and Workforce Development Agency, California's vision for the future of workforce development is centered on the establishment and growth of a High Road workforce system. This High Road system will be focused on meaningful industry engagement and placement of Californians in quality jobs that provide economic security. California is committed to developing a workforce system that enables economic growth and shared prosperity for employers and employees, especially those with barriers to employment, by investing in industry partnerships, job quality, and meaningful skills attainment rather than low wages, contingent employment, and minimal benefits.

Need for High Road Workforce Development Agenda

Despite positive macroeconomic indicators such as record low unemployment and increasing economic growth as measured by Gross Domestic Product (GDP), key economic trends such as wage stagnation and growing income inequality indicate that not all Californians were benefiting from the state's bustling pre-pandemic economy.

For instance, median hourly earnings for workers in California increased by merely one percent from 1979 to 2018 after adjusting for inflation, while low-wage workers in the 10th percentile of hourly earnings fared only slightly better, experiencing a four percent increase over the same period. As concerning as this trend is at the aggregate level, data further reveals unequal impacts among different populations in California, such as women and people of color. The figures below compare the median hourly earnings of different racial and ethnic groups relative to white workers and of women relative to men, showing marked wage disparity by race, ethnicity, and gender:

Race and ethnicity:

- Hispanic or Latino - 60 percent
- Black or African-American (non-Hispanic) - 69 percent
- American Indian/Alaska Native (non-Hispanic) – 75 percent
- Hawaiian/Pacific Islander (non-Hispanic) - 75 percent
- Median hourly earnings for workers identifying as Asian are, in the aggregate, 99 percent of those of white non-Hispanic workers. However, this statistic masks considerable internal heterogeneity within this population, with recent research from the Pew Center finding that income is more widely stratified among Asians than among any other racial or ethnic group in the country.

Gender

- Women - 85 percent. The disparity is higher at the upper end of the pay scale (81 percent for women workers in the 90th percentile of earners) and lower at the bottom end of the pay scale (89 percent for women workers in the 10th percentile of earners).

In regards to income inequality, at the aggregate level, workers in California are realizing a smaller share of the economic gains in the state over the past two decades. The share of California's state GDP going to income for worker compensation declined from about 53 percent in 2001 to around 47 percent in 2017 while the opposite is true for income going to owners of capital which increased from 41 percent in 2001 to 46 percent in 2017. This trend suggests a loss of workers' bargaining power relative to employers, which can make a lasting negative impact on California's economy and workforce.

A similar pattern of inequality appears when looking at average inflation-adjusted incomes for different California households. The bottom quintile of California households saw their average

real income decrease from $16,441 in 2006 to $15,562 in 2018, while in the same time period the top five percent of California households experienced a significant increase in average income from $426,851 in 2006 to $506,421 in 2018.

Though median household income also rose from 2006 to 2018, the rate of increase was 6.4 percent, roughly one-third the growth rate for the wealthiest five percent of Californian households. When understood in the context of rising costs of living in California – for housing in particular – the modest and negative growth in average real income means greater difficulty in supporting a family and maintaining a decent quality of life.

These economic trends warrant attention and consideration on the part of the state's workforce development system given the significant consequences and repercussions throughout California's economy. Wage stagnation, for example, constrains households' ability to achieve or maintain a decent standard of living, which could push more and more Californians into poverty and deplete limited public assistance funds. Likewise, the negative effects of income inequality extend beyond a single household or population: research shows that regions that work to reduce inequality experience higher rates of economic growth for longer periods of time, suggesting that greater inequality jeopardizes growth.

Impact of COVID-19

In the months following the onset of the COVID-19 pandemic and subsequent quarantine, California faced a worse economic downturn than previously experienced during the Great Recession. A few months into the COVID-19 recession, California had lost 2.6 million jobs – twice as many as the state lost over 31 months of the Great Recession. By May of 2020, the state's unemployment rate was at 16.3 percent.

Underscoring the need for a high road workforce development agenda in California, the COVID-19 pandemic has disproportionately compounded preexisting hardships and amplified long-standing health and economic inequities for populations who have historically faced significant barriers to employment. Even before the onset of the crisis, the social and economic integration of historically unserved and underserved populations was an ongoing challenge. By prioritizing the high road for California's workforce system, the state is laying the groundwork for a more just recovery from the pandemic by improving job quality and creating equitable access to quality jobs, especially for youth, women, people of color, people with disabilities and veterans. These populations are typically the first to experience the effects of an economic downturn and the last to recover.

Severe disruption to learning and working, compounded by the health crisis, has negatively impacted young people's labor market outcomes as well as their mental well-being. Unemployment rates among youth ages 16 to 24 remain higher than other age groups, and Black youth in particular are more likely to be out of work and out of school than Latino and White youth. The youth unemployment rate reached 18.5 percent in July of 2020—a significant increase from the previous year's 9.1 percent.

For women in particular, balancing work, family, and health continues to present unprecedented challenges. Economic hardship as a result of the pandemic and a lack of economic security was particularly acute for women who were already struggling prior to the recession. At the onset of the pandemic, unemployment spiked more among women than men. Unemployment reached nearly 19% among women compared to 15% among men in April of 2020, despite nearly identical rates at the beginning of 2020 -- a disparity in part due to mothers leaving the labor force because of remote schooling or child care responsibilities. The COVID-19 recession has impacted women of color especially hard. For example, during the first three months of the downturn, employment for Black and Latina women fell by over 20% - more than three times the decline in employment for white men.

In California, African American and Latino workers are experiencing worse labor market outcomes as a result of the pandemic than white workers. African American workers have fared the worst, with an unemployment rate reaching 16.8 percent in May of 2021.The unemployment rate for Latinos was 13 percent as compared to 9.7 percent for white Californians during the same period.

Traditionally, people with disabilities face persistently lower rates of employment and earn significantly lower wages compared to their peers without disabilities. For instance, only 36 percent of people with disabilities were employed prior to the pandemic, compared to 77 percent of the total population, and workers with disabilities earned on average one-third less than workers without disabilities.In addition to the increased health risk associated with the pandemic and increased risk of exposure in many in-person workplaces, people with disabilities have been confronted with lost wages, job loss and long-term unemployment.

Veterans also face unique hurdles that impede many from transitioning into civilian life and the job market. The unemployment rate for veterans was highest early in the recession. In April of 2021, the unemployment rate for veterans rose to 11.9%. Even though unemployment rates showed gradual declines mid-year, they are not at pre-pandemic levels. Although trends vary depending on where they are and what industry they are in, younger veterans, women, minority and older veterans were hit hardest.

California believes that with the right combination of thought, policy, and practice the workforce and education system can ensure that its programs and resources measurably improve working conditions and economic health in California. At the least, a high road workforce development agenda can help the state avoid repeating and reinforcing existing and systemic problems affecting workers and job-seekers as we continue to build back our economy.

Principles of a High Road Workforce Development Agenda

California is committed to a high road vision for the state's workforce development system that embodies the principles of job quality, worker voice, equity, and environmental sustainability. Implementing this vision through policy, programs, and other practices will benefit workers, job-seekers, and industry as well as the state's workforce development system.

<u>Job Quality</u>

In principle, job quality aims to deliver skills for the state's high road employers by building the skills of the existing workforce and bringing new workers to the associated industry sector(s). High road employers provide quality jobs, compete based on the quality of their services and products, invest in a skilled workforce, and engage workers and their representatives in the project of building skills and competitiveness. At a minimum, quality jobs are characterized by: family-supporting wages, benefits, safe working conditions, fair scheduling practices, and career advancement opportunities that are transparent.

In practice, job quality means strategically supporting California's leading high road employers and connecting individuals to the greatest extent feasible to the best jobs. This includes supporting industry sectors where low-wage jobs are predominant as long as there are high road employers willing to invest in workers' skills and/or develop career pathways.

Orienting the workforce development system toward job quality serves job seekers and workers by placing them in employment that allows them to sustain a high quality of life for themselves, their families, and broader community that depends on their earnings. It also levels the industry playing field by rewarding employers that follow the rules (e.g., no wage theft or worker misclassification) and compete based on quality and respect for those who help create value.

Lastly, job quality serves the workforce development system and broader public sector by protecting investments in training – i.e., ensuring that money spent on training workers is not lost as a result of turnover, an endemic problem in low-road industries and sectors.

Worker Voice

Worker voice is distinct from, but closely related to, job quality. It begins with a recognition of the wisdom of workers who know their jobs best and by building an industry-driven skills infrastructure where industry means both employers as well as workers and their representatives. By investing in and promoting planning with workers and management at the table, California is supporting partnerships that develop industry-led solutions to critical challenges and opportunities such as:

- Assessing current workforce gaps due to forthcoming retirements, job quality concerns, and/or insufficient training capacity;
- Addressing expected changes as a result of technology deployment including, but not limited to, automation and artificial intelligence; and
- Maintaining or increasing competitiveness in anticipation of, or in response to, market forces such as new laws and regulations as well as global trade effects.

Worker voice is also essential to workforce development policy and practice in order to ensure that investments in training and credentialing are connected to meaningful career advancement. In addition to benefitting workers and employers, career advancement is necessary to create opportunities for new, entry-level workers which is the basis for equity and inclusion within the California's high road vision.

The benefits and impact associated with worker voice are multiple and shared broadly. Workers can experience better working conditions and a greater sense of value and ownership on the job and within the firm by helping to make decisions that affect their livelihoods, both present and in the future. Individual firms and whole industry sectors benefit from development of new standards that can improve consistency in work and training and can support higher productivity. By focusing on developing robust solutions to critical issues identified by the industry, worker voice helps build a culture of continuous learning and collaboration, which is critical as industries change and advance over time.

Decision-makers and the public sector also gain from more widespread practice of joint labor-management planning and partnership, such as improved ability to manage limited resources for enforcement of employment laws (e.g., laws pertaining to wage and hour as well as health and safety) and deeper input and institutional investment in developing safeguards for workers and communities coping with disruption linked to environmental constraints, technological change, and other forces affecting employment, skills, and competitiveness.

Equity

Existing social, economic, and institutional bases of inequality mean that economic outcomes are stratified according to race, ethnicity, disability, and gender. The high road vision and agenda therefore emphasizes equity in workforce development, with the aim of systematically generating greater opportunity for Californians who have been locked out of the mainstream economy, are under-represented in high-wage occupations and industries, and/or face multiple barriers to quality employment.

Equity also means respecting and valuing the work done by immigrants, people of color, and other populations facing marginalization that is often overlooked by workforce development resources. Particularly in industries where low-wage jobs are predominant, equity strategies emphasize upskilling and professionalization that helps to standardize the work and training as

well as value and compensate workers for new skills acquired through training and certification.

A number of practices are required to achieve greater equity in labor market outcomes, including increased partnership with community based organizations (CBOs). CBOs are often grounded in and provide critical resources to marginalized communities which makes them invaluable partners in furthering an equitable high road agenda.

Environmental Sustainability

In addition to job quality, worker voice, and equity, California's high road vision for workforce development addresses issues pertaining to environmental sustainability, particularly climate change. This is based on a recognition that climate change has serious implications for the state's economy, and that the impacts of climate change disproportionately impact low-income communities and communities of color.

With respect to economy-wide implications, every occupation and industry – to varying degrees – is impacted by climate change and/or has an effect on the environment and climate. Moreover, California's transition to a carbon neutral economy is reshaping whole industry sectors, including the occupations and employment within those sectors as well as the knowledge and skills required. Accordingly, high road workforce development – through sector-based high road training partnerships – considers job growth, job loss, and changes in the nature of work associated environmental change and related policies and investments. To this end, special attention must be paid to industry sectors that are on the frontlines of the transition to a carbon neutral economy (e.g., energy generation and distribution, buildings and construction, vehicle and components manufacturing, and forestry services and agriculture) while ensuring that programs and investments continue to address workforce development economy wide.

Implementing a High Road Workforce Development Agenda

California will employ three main strategies to operationalize these high road principles, this includes leveraging the state's power of public investment, establishing policy and providing guidance to the workforce development field, and raising awareness in multiple forums.

Public Investment in High Road

Over the last several years, California has broadened the reach and impact of our federal workforce and education funding by coupling that investment with hundreds of millions of dollars in state funds. The majority of the state funding is being awarded through competitive processes to industry based partnerships at the local level that are operationalizing the high road model from the ground up.

A wide variety of federal, state, and locally funded programs have been weaved into the development and execution of these industry partnerships to ensure both employers and participants are receiving wrap around support. On the demand side, this includes partnering with employers, labor, trade associations, etc. On the supply side, this includes partnering with Local Boards, community colleges, adult education providers, vocational rehabilitation providers, human assistance departments, community based organizations, etc.

While each partnership is unique and tailored to specific needs of the industry and local workforce, the main thing they all have in common is that they are shaped and driven by the following essential elements:

- Industry-Led Problem Solving: Foundational is that the industry – including leaders representing employers and workers – lead the problem solving for the workforce demands unique to that industry.

- Partnerships as a Priority: It is key to have a strong and durable industry partnership as a goal in and of itself. Here it means a formal relationship that is neither loose nor ad hoc, and instead forms the basis of sustained problem-solving.
- Worker Wisdom: Existing High Road projects in California have developed innovative ways to explicitly bring worker voice into their strategies and tactics as a core value undergirding the partnership.
- Industry-Driven Education & Training Solutions: Partnerships can tap into training that already exists, develop and deliver their own programs, or use a hybrid approach specific to their particular workforce needs.

Additionally, California state agencies outside of the traditional workforce and education system have begun to integrate fair and responsible employer standards and inclusive procurement policies into the public funding they release. This cross agency state-wide approach is helping to ensure California will have enough quality jobs to place participants into once they have received the skills and training deemed necessary by employers. Given California and the nation's focus on climate change, much of this work has been occurring with state agencies that have responsibilities and funding related to climate change mitigation, adaptation, and resilience. However, this economic development partnership model is able to be applied to other critical industries within California, as capacity allows.

Development of High Road Policy

The second strategy emphasizes policymaking as a means to establish measures either mandating or encouraging that high road practices are implemented and meaningful outcomes are achieved. In practice, this means incorporating high road principles and practices into state legislation, as well as into the policy directives and guidance issued for the local workforce development system.

In 2020, the CWDB issued Regional and Local Planning Guidance for PY 2021-24 through Workforce Services Directive WSD20-05. After engaging with key stakeholders such as employers, labor organizations, as well as WIOA core and required partners, Local Boards described how they will prioritize working with employers who provide quality jobs that provide economic security. They also spoke to how they will ensure that historically unserved and underserved communities will have equal access to the career pathways, earn and learn opportunities, supportive services, and the aforementioned quality jobs.

In 2021, Governor Newsom signed Assembly Bill 138 (Committee on Budget, Chapter 78, Statutes of 2021) which codified the concept of High Road into state law and tasked the CWDB with assisting the Governor in developing standards, procedures, and criteria for defining high road employers, high road jobs, high road workforce development, and high road training partnerships in California. The bill also requires CWDB to collect data on the impact and efficacy of its high road investments and report back to the Legislature on a biennial basis.

Increasing Education and Awareness of High Road

Lastly, CWDB advances the high road vision through education – by raising awareness of high road principles, practices, and programmatic successes – in order to change the culture of workforce development statewide. This is done through presentations at conferences on labor, workforce development, and education; regular and deep communication with, and technical assistance provided to, Local Boards and other practitioners; and producing reports and other educational materials for the diverse workforce development field in California.

The High Road model will only be successful system wide if it continues to involve meaningful engagement with adult education, vocational rehabilitation, Wagner-Peyser and other WIOA

program partners. California's vision for utilizing deep industry engagement and strategic upskilling to place individuals with barriers to employment into high quality career pathways applies across the board to all of our shared customers – people with disabilities, formerly incarcerated, veterans, immigrants, foster youth, older adults, etc. The High Road model requires a universal design and the CWDB has been working closely with the CDE , DOR, EDD and other state program partners to ensure that the funding, policy guidance, or technical assistance strategies outlined above are developed in a manner that meets the unique needs of everyone that the workforce development system is intended to serve.

Policy Objectives

California intends to use the high road workforce development agenda identified above, to advance progress on three main policy objectives. These objectives affect both state-level policy and administrative practices across programs as well as local policy and service delivery.

- Fostering demand-driven skills attainment: Workforce and education programs need to align program content with the state's industry sector needs so as to provide California's employers and businesses with the skilled workforce necessary to compete in the global economy.
- Enabling upward mobility for all Californians: Workforce and education programs need to be accessible for all Californians, especially populations with barriers to employment, and ensure that everyone has access to a marketable set of skills, and is able to access the level of education necessary to get a good job that ensures both long-term economic self-sufficiency and economic security.
- Aligning, coordinating, and integrating programs and services: Workforce and education programs must economize limited resources to achieve scale and impact, while also providing the right services to clients, based on each client's particular and potentially unique needs, including any needs for skills-development.

Fostering Demand-Driven Skills Attainment

California recognizes the critical importance of improving the workforce and education system's ability to meet the skill demands of employers in industry sectors that are driving regional employment. This includes identifying opportunities to move workers up a career ladder using targeted incumbent worker training while also moving new hires into jobs using strong employer engagement practices, relevant training investments, and supportive services.

Governor Newsom has set an aspirational goal of 500,000 apprenticeships in California by 2029. To reach the goal, the state must re-examine how state-approved apprenticeships are developed, approved, and executed, and must ensure that employers, apprenticeship training providers, and the workforce system are aligned. It is important to note that an apprenticeship is a job, therefore, to create an apprenticeship an employer must be willing to hire, and then train a worker in a structured program while also paying living wages. While federal and state funds can cover some of the expenses for establishing new earn-and-learn opportunities, the costs of on-the-job training (in non-construction apprenticeship training) are primarily borne by the employer in the form of wages paid. Therefore, any effective strategy for scaling apprenticeship must put industry at the center.

California will continue to invest in existing successful programs that have achieved a co-equal and successful labor-management approach in order to scale them up, while also creating new programs that involve meaningful partnerships between employers, workers, and the workforce system that treat each partner fairly.

Enabling Upward Mobility for All Californians

California believes that diversity is a strength, and advancing equity is an economic and moral imperative. Creating a workforce and education system that provides upward mobility for all Californians benefits the economy and fulfills the state's promise to recognize the ability of everyone who lives here to participate and thrive. In order to ensure that everyone has access to a marketable set of skills and the level of training necessary to get a job that provides long-term economic security, the services provided must be centered on each individual's unique needs.

For some individuals served by the workforce system, especially dislocated workers with an in-demand skillset, finding a good job may require only access to information about which employers are hiring in their Local Area or region. However, California recognizes that individuals with significant barriers to employment may need multiple interventions and access to a variety of services provided over an extended period of time in order to find and enter a good job. In alignment with the Governor's priorities, California will continue to support the provision of wraparound services for individuals with barriers to employment, with an increased emphasis on the following populations.

Immigrants

Immigrants, regardless of status, contribute significantly to California's robust and growing economy. Immigrants comprise over one third of California's workforce and undocumented immigrants represent one in ten of California's workers. However, immigrants are particularly susceptible to forces barring them from economic opportunity. Common barriers include language access, childcare and transportation services, work authorization requirements, and the cultural competency of staff. Consequently, the state workforce and education system must acknowledge, value and invest in the full potential of the immigrant community by expanding investments in education, workforce, and supportive services that are open to everyone, regardless of status.

Justice-Involved

California releases approximately 36,000 people from the state prison each year, a portion of whom have received in-prison job-training rehabilitative services. Individuals involved with the justice system face significant barriers obtaining economic mobility and can benefit from increased collaboration between the education, training, workforce development, and community-based systems to enhance reentry employment opportunities. While there is some, often informal, coordination between the corrections and workforce system, a formal and sustained relationship is needed to better integrate services operating in isolation, and to fill gaps and provide holistic and long-term outcomes to reduce recidivism.

Homeless or Housing-Insecure

California is facing a homelessness epidemic across the state. According to the 2020 Homeless Point in Time count, more than half of the 44 Homeless Continuum of Care (CoC) in the state reported double-digit increases in the number of people experiencing homelessness. While additional state resources have been allocated to stem the increase in homelessness, opportunities to deliver a comprehensive cross-system response remain. For people experiencing or at risk of homelessness, creating a continuity of services between workforce and CoC programs could provide the critical link necessary for long-term stability and success.

Youth

The California unemployment rate in 2021 among youth ages 16 to 24 was 10 percent. For youth with multiple barriers to employment, this puts them at even greater risk of poverty and widening income inequality. Culturally competent interventions, trauma-informed care, and a whole-person or family approach to system alignment across all safety-net programs, presents a clear opportunity for effectively reducing disparities among youth. Additionally, systems of care must be responsive to the diverse emotional, psychosocial, and behavioral needs of youth,

especially those who have interacted with multiple systems in order to increase the likelihood of positive employment outcomes and to effectively tackle generational poverty.

Aligning, Coordinating, and Integrating Programs and Services

California has dedicated a significant amount of time and resources towards aligning its workforce and education systems by developing interagency partnership agreements between the various state agencies that administer WIOA core and required programs. The main purpose of establishing these interagency partnerships at the state level is to encourage and support further alignment of systems at the regional and local level. California believes that active coordination at the state level is an integral part of achieving scale and impact on the ground. By having routine discussions and establishing concrete goals, state partners hope to identify and address any unintended barriers that may exist between the various systems and ensure equitable access to services for all Californians. The CWDB has spearheaded the creation of partnership agreements with the following WIOA core, required, and strategic plan partner agencies:

- Title II - Department of Education
- Title IV - Department of Rehabilitation
- Senior Community Service Employment Program - Department of Aging
- Carl D. Perkins V Program - State Board of Education, Department of Education, and California Community Colleges Chancellor's Office
- Temporary Assistance for Needy Families and Supplemental Nutrition Assistance Programs – Department of Social Services
- Child Support – Department of Child Support Services
- Corrections Workforce Programs – Department of Correction and Rehabilitation and California Prison Industry Authority
- Competitive Integrated Employment – Department of Education, Department of Rehabilitation, and Department of Developmental Services

Current Workforce System-wide Assessment

Cross-Systems Analytics and Assessment for Learning and Skills Attainment (CAAL-Skills)

The CAAL-Skills program serves as the main tool for assessing the overall effectiveness of the state workforce development system. CAAL-Skills is an interagency and multi-departmental data-sharing and program-evaluation initiative led by CWDB that utilizes the common performance measures to evaluate the outcomes associated with California's investment in workforce development, training, related education and supportive service programs.

Current data sharing partners include:

- Department of Industrial Relations-Division of Apprenticeship Standards
- Community Colleges Chancellor's Office
- Employment Training Panel
- Department of Social Services
- Employment Development Department
- Department of Education

- Department of Corrections and Rehabilitation
- Department of Rehabilitation
- Pilot counties

The data system includes participant-level information that is used to systematically link individuals across the workforce system and participating programs. The program has developed a pooled administrative data set which can also be used to evaluate and assess participating programs' efficacy so that program administrators and policymakers can develop evidence-based and data-driven policies to improve program participant outcomes.

For each program in the CAAL-Skills database, participant data is collected on the following variables:

- Participant characteristics, including demographic information (age, gender, race, ethnicity); veteran status; and existence of employment barriers (disabilities; cultural, linguistic, literacy or income barriers; and ex-offender status).
- Treatment(s) received: type of service (whether career, training, or supportive; and by within-category disaggregation) and whether the participant received a combination of services.
- Location(s) where service(s) were received.
- Time of program entry, exit, and (if applicable) training completion.
- Whether a participant obtained a recognized credential(s) within one year of exit, and type(s) of credential obtained.

Participant data is then associated to employer-provided data in the Unemployment Insurance base wage file, to generate additional information on participant outcomes, including:

- Participant employment status two and four quarters after program exit.
- Participant earnings two and four quarters after program exit.
- The industry sector in which that participant was employed, two and four quarters after exit.

The pooling of participant data among the data-sharing partners also provides information on the frequency, extent, and patterns of participation in multiple workforce education and training programs.

Finally, availability of pre-treatment earning information is expected to provide a more rigorous baseline with which to assess changes to earnings following workforce program participation.

<u>California Policy Lab Evaluation Using CAAL-Skills Data</u>

The CWDB has engaged the University of California Regents (working under the name of California Policy Lab) to perform a statistically rigorous evaluation and assessment of California's workforce system partners as required by WIOA Section 116.

The California Policy Lab evaluation will use data in the CAAL-Skills database to assess if and how particular workforce programs and services are associated with improvements in labor market outcomes. The non-experimental evaluation will utilize methods of control to rigorously estimate impacts from program participation itself, eliminating or reducing the effect of confounding factors (such as unmeasured differences between participants). The evaluation may additionally reveal whether impacts differ for different participant groups (e.g. by gender,

race, disability etc.), which may provide information on the effectiveness of the workforce system in reducing or eliminating barriers.

Using CAAL-Skills data and associated evaluations, the state will assess the extent to which specific workforce programs and services mitigate such inequalities (or fail to), and identify the specific barriers to access, completion, or success, that participants face, in addition to evaluating performance on statewide measures in WIOA Section 116.

Future Workforce System-wide Assessment

Besides the current and ongoing assessment efforts outlined above, California will explore ways to objectively assess implementation of its High Road workforce development agenda.

Potential indicators of success or measurements of progress could include, but are not limited to, the following:

- California's capacity to grow sector-based, high road training partnerships - Evaluation criteria could focus on measurable outcomes for workers. Examples include: retention, wage progression, job quality; for employers (productivity gains, reduction in turnover); and durability and scalability of partnerships themselves.
- California's impact on industry standards - Evaluation criteria could focus on positive within-industry changes that result from expansion of the high road model within an industry. Examples include: growth in prevailing wage levels and improvements to scheduling predictability, benefits, safety standards, etc.
- California's ability to improve equity through participant outcomes - Evaluation criteria could focus on investment in retraining and creation of meaningful career pathways for workers who are currently employed in sectors which produce environmental pollution as well as for low income communities and communities of color that are disproportionately impacted by the effects of climate change. Examples include: training and job placement benchmarks for persons of color, people with disabilities, immigrants, and refugees.

C. STATE STRATEGY

In order to ensure ongoing alignment between the various government agencies that are responsible for administration of the state's workforce and education system, the CWDB and its state partners will utilize the following seven strategies to frame, align, and guide program coordination at the state, regional, and local levels.

Seven State Strategies

1. Sector Strategies
2. Career Pathways
3. Regional Partnerships
4. Earn and Learn
5. Supportive Services
6. Creating Cross-System Data Capacity
7. Integrated Service Delivery

These seven policy strategies are evidence-based and have been shown to ensure effective delivery of services and increase the likelihood that those who receive services obtain gainful employment. The information below provides the overarching policy rational for each of the

strategies, concrete examples of how the strategies will be implemented throughout the state will vary from partner to partner. For that reason, California chose to establish bilateral partnership agreements among WIOA core and required program partners, such as vocational rehabilitation and adult education, which detail concrete goals associated with each of the strategies. Those objectives are outlined under the operational elements portion of the plan.

California will use vehicles such as the partnership agreements, joint taskforces, joint listening sessions, joint policy development, and ongoing conversations to ensure that the strategies identified are implemented in a way that provides integrated access to our shared customers – people with disabilities, formerly incarcerated, veterans, immigrants and refugees, foster youth, etc.

Sector Strategies

Sector strategies are policy initiatives designed to promote the economic growth and development of a state's competitive industries using strategic workforce investments to boost labor productivity. The strategic focus is on prioritizing investments where overall economic returns are likely to be highest, specifically in those sectors that will generate significant gains in terms of jobs and income.

Targeting the right sectors is essential and requires that policy makers use economic and labor market data to determine which industry sectors are best positioned to make gains if investments in workforce development are made. Investment decisions are typically also contingent on the degree to which a sector faces critical workforce supply problems, for example, whether the industry faces or will face a shortage of skilled workers in a particular occupation, whether these shortages are a consequence of either growth or retirements.

A key element of sector strategies is the emphasis on industry and sector partnerships. These partnerships bring together multiple employers within a sector to find shared solutions to their common workforce problems. When done successfully, sector strategies can lead to mutually beneficial outcomes for business, labor, and the state by increasing competitiveness and growth, improving worker employability and income, and reducing the need for social services while also bolstering government revenues generated by both business and workers.

Career Pathways

Career pathways are designed to facilitate incremental and progressive skills attainment over time, in clearly segmented blocks, such that those who move through the pathway obtain education or training services built on the foundation of prior learning efforts. The objective is to provide a packaged skill set which has demonstrable labor market value at each stage of the learning process. Key elements of successful pathway programs include the following:

- Varied and flexible means of entry, exit, and participation through multiple "on and off ramps" and innovative scheduling practices.
- Entry and exit points are based on student, worker, or client needs as well as educational or skill levels, allowing those with different skill levels to participate where appropriate.
- Flexible exit allows those who cannot complete a longer term program the ability to build longer term skills through short term serial training efforts.
- Pathways programs are characterized by a high degree of program alignment and service coordination among relevant agencies, which can typically include adult education and basic skills programs, community colleges CTE programs, high school CTE programs, workforce development board programs, as well as social services agencies.
- The receipt of industry-valued credentials at each stage of training.

- Employer engagement to ensure that training and education are relevant to the labor market.

Career pathways programs are particularly useful in serving populations with barriers to employment because they can be packaged in a way that responds to population needs. Combining career pathway programs with sector strategies has the potential to help move populations with barriers to employment into the labor force while also meeting employer's workforce needs, by providing disadvantaged individuals with a tangible and marketable skillset that is in-demand. For example, apprenticeships can provide industry-driven, high-quality career pathways where employers can develop and prepare their future workforce, and individuals can obtain paid work experience, classroom instruction, and a portable, nationally-recognized credential.

Regional Partnerships

Labor markets and industry are both organized regionally. Organizing workforce and education programs regionally increases the likelihood that workforce and education programs can be aligned to serve the needs of labor markets. Regional organizing efforts should aim for the development of value-added partnerships that not only help achieve the policy goals of the partnership but also help partners achieve their organizational goals.

Regional partnerships can be mutually beneficial when they are set up to leverage each partner program's core competencies and subject matter expertise. When shaped in this manner, regionally organized programs economize the use of scarce resources, while also allowing program operators to take programs to scale, reduce administrative costs, and package and coordinate services on the basis of specialization.

The objective of regional organizing efforts is not to create monolithic one-size-fits-all uniform workforce and education programs, but rather to coordinate service delivery on the basis of program strengths while also aligning partner programs with each region's particular labor market needs. The exact manner in which these partnerships come together will vary from region to region based on the unique set of circumstances that shape each region's workforce needs.

Earn and Learn

Earn and learn policies are designed to facilitate skills attainment while also providing those participating in these programs with some form of compensated work experience, allowing them to "earn" income while they "learn" to do a job. Because many WIOA customers have barriers to employment and cannot afford to attend an education or training program full time because time spent in the classroom reduces time that can be spent earning income, earn and learn opportunities are an important strategy for success.

These programs include, but are not limited to, the following:

- Apprenticeships
- Pre-apprenticeships
- Incumbent worker training
- Transitional and subsidized employment
- Paid internships and externships
- Project-based compensated learning

The principles of earn and learn are broad enough to allow for flexible program design. As such, programs may be customized to serve clients on the basis of their given level of skills and their

particular educational or training needs. Transitional and subsidized employment programs can be used to provide work experience to those who have none, facilitating the hiring of individuals that employers might not otherwise employ. Incumbent worker training serves the purpose of keeping the state's workforce productive and its businesses competitive. Similarly, pre-apprenticeship and apprenticeship programs can provide access to formal skills training opportunities in a variety of occupational fields that typically provide good wages and a middle class income.

Supportive Services

Evidence suggests that skill-training programs accrue substantial and long-term benefits to job-seekers, particularly to women, low-skilled workers, workers with an outdated skill set and workers with other barriers to employment. However, many of the clients served by the state's workforce and education programs face barriers to employment that also undermine their ability to complete a training or educational program which could help them upskill or reskill in a manner that increases their labor market prospects. Individuals often need access to a broad array of ancillary services in order to complete training or education programs and successfully enter the labor market.

Supportive services provided through the state's workforce and education programs include everything from academic and career counseling, to subsidized childcare and dependent care, to transportation vouchers, to payment for books, uniforms, and course equipment, to substance abuse treatment, as well as benefits planning and assistive technology for people with disabilities. Supportive services may also include licensing fees, legal assistance, housing assistance, emergency assistance, and other needs-related payments that are necessary to enable an individual to participate in career and training services.

The combination of supportive services provided should depend on each particular individual's needs and background, as well as the eligibility criteria for various programs. The exact menu of services offered to program participants will vary from region to region and locality to locality, but should always be centered on what is best for the individual.

Cross System Data Capacity

Diagnostic data is intended to steer investment to help ensure that programs align with labor market trends and needs by looking at patterns of job growth as well as aggregate education and training program output with respect to the number of degrees and certificates received and industry-recognized credentials awarded. Performance data is intended to measure typical program outcomes for individuals receiving services while helping quantify skills attainment and degree and credential production. The following types of data are used to guide the design and evaluation of workforce and education programs in California:

- Diagnostic data pertaining to the relative importance of the different industries, sectors, and occupations throughout California.
- Diagnostic data analyzing the extent to which state education and training programs are preparing students and workers with the requisite industry-recognized skills and credentials to meet employer's skills needs and future industry demand for trained workers in relevant sectors and occupations across the state's regions.
- Performance data on workforce and education programs, including required WIOA performance data.
- Impact analyses and return on investment studies that allow one to assess the value of the state's workforce and education programs, as well as the ability to track outcomes longitudinally to assess and evaluate the effectiveness of career pathways.

Integrated Service Delivery

Integrated service delivery is when multiple partners work together to collaborate and coordinate their support, services and interventions. The focus is generally on individuals, or target groups, who have complex needs that require services from a variety of partners. Integrated services delivery also results in program alignment and provides access to the broad array of services funded across the state's workforce and education programs. This approach supports the workforce systems' ability to focus on skills development, attainment of industry recognized credentials and degrees, and prioritization of career pathways in high demand, high pay sectors.

Integrated service delivery also provides staff with the flexibility to provide customized services based on the needs of the job seeker. Services should provide job-seeking individuals with skills and supports necessary for successful participation in education and training programs that lead to employment in in-demand occupations. This can occur in a variety of ways depending on the needs of both employers and the client base in each regional and Local Area.

III. OPERATIONAL PLANNING ELEMENTS

A. STATE STRATEGY IMPLEMENTATION

1. STATE BOARD FUNCTIONS

The California Workforce Development Board (CWDB) is the Governor's agent for the development, oversight, and continuous improvement of California's workforce investment system. The CWDB contains representatives from all WIOA core program partners, including the Employment Development Department, California Department of Education, and California Department of Rehabilitation. The members of the CWDB, which also consists heavily of representatives from businesses, labor organizations, educational institutions, and community organizations, assist the Governor in designing a statewide plan and establishing appropriate program policy.

The CWDB reports to the Governor through the Chair of the CWDB, Secretary of Labor and Workforce Development Agency, and Executive Director who provide oversight of the CWDB members and staff to ensure that policy recommendations are consistent with the Governor's vision for the state.

The CWDB operates with a committee structure, comprised of standing committees, special committees, and ad hoc committees.

- A standing committee is comprised of only CWDB members and, for the purposes of voting, shall have a minimum of five members in addition to the chair and vice chair of the committee.
- A special committee is assigned a specific task and assignment by the CWDB Chair and may include CWDB members and state and local partners, stakeholders, practitioners, and customers, all as voting members. The committee chair is the presiding officer at all committee meetings.
- An ad hoc committee is an informal workgroup, task force, council or other formal sub-group comprised of CWDB members, and/or CWDB staff, and/or state and local partner, stakeholder, and practitioner staff. Ad hoc committees are time-limited and task oriented and may be established by the CWDB Chair, the CWDB Executive Director, or special committee chairs.

The CWDB's operational structure was initially reorganized to improve Workforce Innovation and Opportunity Act (WIOA) implementation strategies and to build a comprehensive workforce and education system, aligning core and non-core program services across the

various employment, training, workforce, educational, and human service programs whose mission it is to get Californians hired into good jobs.

The operational structure has once again been modified to build upon existing partnerships, establish new ones, and expand high road strategies to multiple sectors. Under the modified structure, the CWDB will continue to operate as a "think and do" tank, reviewing programs and policies, and working with partners to develop implementation strategies that foster the California Unified Strategic Workforce Development Plan (State Plan) policy objectives.

2. IMPLEMENTATION OF STATE STRATEGY

A. CORE PROGRAM ACTIVITIES TO IMPLEMENT THE STATE'S STRATEGY

As part of the State Plan development process, the CWDB facilitated nearly twenty separate coordination meetings with WIOA core, required, and strategic state partners in 2019. The meetings served as a working forum to discuss realistic, achievable, and concrete ways to jointly implement the vision, objectives, and strategies of the State Plan.

The meetings were also used to establish new and update existing partnership agreements that provide a roadmap for establishing and expanding partnership at the state, regional, and local levels. Each agreement is based off of the same foundational framework and includes goals associated with one or more of the State Plan's seven strategies to ensure ongoing alignment of the various agencies.

The meetings were used to establish partnership agreements that provided a roadmap for establishing and expanding partnership at the state, regional, and local levels. Each agreement was based off of the same foundational framework and includes goals associated with one or more of the State Plan's seven strategies to ensure ongoing alignment of the various.

Unfortunately, after the State Plan was submitted in March 2020, emergence of the COVID-19 pandemic uprooted everything. Due to the critical services that CWDB and many of our partner's deliver, most pre-pandemic State Plan partnership activities were placed on hold in order to focus on meeting the immediate needs of the millions of Californian's whose lives were severely impacted by the pandemic.

As part of the State Plan Modification process the CWDB held another set of coordination meetings with WIOA core, required, and strategic state partners in order to revisit and revise each partnership agreement in light of the last two years. Partners discussed the goals established in 2019 and decided whether to leave them the same, edit them, or replace them with new goals that the group felt were more appropriate in our current economic climate. Many of the goals outlined below will help to implement more than just one strategy, however, to avoid duplication, each goal was listed under the strategy with which it seemed to best align.

Sector Strategies

This strategy includes aligning workforce and education programs with leading and emergent industry sectors' skills needs.

California will prioritize investments where overall economic returns for individuals with barriers to employment are likely to be highest, specifically in those sectors that generate significant gains in terms of jobs and income. It will also actively pursue ways to build capacity at the state level for coordination, outreach, convening, organizing, and support of industry sector partnerships.

Title I

The CWDB will continue to issue Local and Regional Planning guidance that requires Local Workforce Development Boards (Local Boards), organized into Regional Planning Units (RPUs),

to work with industry and service providers in each region, to build industry sector partnerships and career pathways aligned with the partnerships.

Title II

The CDE will work with CWDB to support local workforce and adult education programs in their engagement with employers so that they develop programs that will meet the local need. This can include identifying new opportunities for providing adult education services at the work location. For example, having an ESL class offered at a company or work site to help the employees improve English skills which could then improve their opportunities for advancement.

Title IV

The DOR will support employers with adherence to Section 503 of the Rehabilitation Act of 1973, which requires federal contractors to take affirmative action to recruit, hire, promote, and retain individuals with disabilities. DOR will establish and maintain a single point of contact for the America's Job Center of California (AJCC) business services staff and employers requesting assistance with Section 503 compliance to find and develop qualified talent, including individuals with disabilities. DOR will also ensure local leadership meets with local business leaders from identified in-demand sectors, as determined by their local RPU, to develop working partnerships or establish initiatives that support hiring and/or recruitment of individuals with disabilities.

The DOR will invite business partners and career education and training entities, as appropriate, to participate in at least 20 percent of the Competitive Integrated Employment (CIE) Local Partnership Agreements (LPA) between Local Education Agencies (LEAs), DOR districts, and regional centers to create engagement with local and regional business partners to increase utilization of job-driven training and other pathways to CIE for youth and adults with intellectual and developmental disabilities in both the public and private sectors.

CalFresh and CalWORKS

The California Department of Social Services (CDSS) and CWDB will engage in ongoing discussions around high-priority industry sectors. This includes potential education, apprenticeship/pre-apprenticeship, training, and recruitment for opportunities within the growing care economy, including the child care and in-home supportive service sectors, in alignment with current investments and anticipated growth over the next several years.

Corrections Workforce Partnership

The Corrections Workforce Partnership, comprised of California Department of Corrections and Rehabilitation (CDCR) and California Prison Industry Authority (CALPIA), and CWDB, will work to sustain and scale previously piloted in-facility state civil service examination events by increasing the number of facility locations and the number of state and local civil service hiring partners.

Career Pathways

This strategy includes enabling of progressive skills development through education and training programs using multiple entry and exit points, so that each level of skills development corresponds with labor market gains for those being trained or educated.

California will utilize career pathways to facilitate incremental and progressive skills attainment over time, in clearly segmented blocks, such that those who move through the pathway obtain education or training services built on the foundation of prior learning efforts.

Title I

The CWDB will provide technical assistance to Local Boards on partnering with industry and training providers to utilize career pathways that provide participants a packaged set of skills with labor market value at each stage of the learning process.

Title II

The CDE will utilize the Integrated Education and Training model and partner with Local Boards to provide students with the literacy and skill development needed for high roads occupations.

Title IV

The DOR will establish or modify formal partnerships with Title I and Title II at the state and local level that are geared towards supporting career pathways for all individuals with disabilities, including those with behavioral health disabilities, students with disabilities, transition age foster youth with disabilities, individuals with intellectual and developmental disabilities, and justice involved individuals with disabilities. The DOR will update the template to use for the formal partnerships with the AJCC's and Adult Education Title II with strategies for supporting career pathways for those communities named above.

Career Technical Education

As joint administrators of the Perkin V program, CDE, State Board of Education (SBE), and California Community Colleges Chancellor's Office (CCCO) will work with CWDB to identify opportunities to advance career pathways at the local and regional level through implementation the State Plan for Career and Technical Education.

Regional Partnerships

This strategy includes building partnerships between industry leaders, including organized labor, workforce professionals, education and training providers, and economic development leaders to develop workforce and education policies that support regional economic growth.

California will develop value-added partnerships that not only help achieve the policy goals of the partnership but also help partners achieve their organizational goals. A value-added partnership is one in which all partners gain from the relationships built through the organizing process.

Title I

The CWDB will continue to use WIOA statewide funds to support Local Board implementation of relevant regional sector initiatives and the WIOA Regional Plans.

Title II

The CDE will work with CWDB to identify forums such as conferences, meetings, and other opportunities to share joint information for the purpose of advising workforce providers, education practitioners, and policy-makers of services available to shared populations.

Title IV

The DOR will ensure that representatives from local district offices maintain regular participation on their Local Boards and within each of the 15 RPU for the purposes of developing workforce and education policies that support regional economic growth.

The DOR will work with CWDB to ensure resources for cross-training of frontline staff across the 15 RPUs, including the dissemination of CIE resources and information to Local Boards and participation in technical assistance calls with LPA partners.

CalFresh and CalWORKs

The CWDB and the CDSS will continue quarterly meetings of the Regional Workforce and Equity Partnership (RWEP). The group will explore expanding its membership to include the California Workforce Association, California Welfare Directors Association, as well as a variety of program areas within CDSS including: CalFresh Employment & Training, CalWORKs, Housing, In-Home Supportive Services, Child Care and Development, and the Office of Equity. Through the RWEP, the CWDB and CDSS will jointly develop and provide guidance on how to establish a baseline for actionable, collaborative partnership activities between the various systems that are human-centered and outcome-oriented.

Career Technical Education

The CWDB will partner with CDE, SBE, and CCCO to utilize the community colleges regional and K-12 structures to encourage greater alignment of a local institutions with their local and regional workforce ecosystems, which includes all required state and federal programs.

Corrections Workforce Partnership

The Corrections Workforce Partnership will work with CWDB to create a closed-loop referral or communication process between Local Boards, RPUs, and CDCR to ensure the provision of employment services and supportive services to meet all of the individual's needs.

Child Support Services

The Department of Child Support Services (DCSS) and CWDB will meet on a quarterly basis to identify best practices and create technical assistance tools to help facilitate partnership between Local Boards and local child support agencies. These tools may include, but are not limited to, the issuance of a policy brief, creation of a best practices guide, and the development of an instructional webinar for the field.

Earn and Learn

This strategy includes using training and education best practices that combine applied learning opportunities with material compensation while facilitating skills development in the context of actual labor market participation.

California will prioritize earn and learn policies that facilitate skills attainment while also providing those participating in these programs with some form of compensated work experience, allowing them to "earn" income while they "learn" to do a job. Specifically, earn-and-learn opportunities will be prioritized for individuals who have barriers to employment and cannot afford to attend an education or training program full time, both because of costs associated with training and education fees and tuition and because time spent in the classroom reduces time that can be spent earning income.

In alignment with the Governor's goal to significantly increase apprenticeships, the CWDB and state partners commit to expanding access to apprenticeships and other paid work experiences for shared populations in the following ways:

- CWDB will continue to invest federal and state funds in the development of High Road Training Partnerships (HRTPs), High Road Construction Careers (HRCCs), and other initiatives that lead to the placement of participants in state approved pre-apprenticeships and apprenticeships.
- DOR will emphasize and support increased access to earn-and-learn opportunities for consumers, including students with disabilities, such as including on-the-job training, paid work experiences, internships, and apprenticeships in high demand industries. The DOR is working with the Department of Industrial Relations Division of Apprenticeship Standards to provide presentations to DOR districts on the benefits of apprenticeships and how DOR can help consumers obtain apprenticeships.

- DOR, CDE, and Department of Development Services (DDS) will continue to leverage funding to facilitate access to work experience opportunities for youth and adults with disabilities, including paid internship programs and state internship programs.
- The Corrections Workforce Partnership will work with the construction trades to facilitate direct placement into construction apprenticeship of previously trained justice involved individuals upon release.
- CalFresh and CalWORKS will explore training and potential apprenticeship opportunities for in demand Early Learning and Care positions.

Supportive Services

This strategy includes providing ancillary services like childcare, transportation, and counseling to facilitate program completion by those enrolled in training and education courses.

California will continue to expand access to funding for supportive services that enable an individual to participate in workforce-funded programs and activities to secure and retain employment. The type of supportive services provided will be dependent on each particular client's needs and background to the supports are person-centered.

Title II

CDE will work with CWDB to share information to local counterparts about available resources for school and program alternatives that provide students with the environment, curriculum, and support systems needed to ensure that they achieve their full academic potential.

Title IV

DOR will work with CWDB to ensure greater coordination in the provision of the support services for individuals with disabilities in order to increase the likelihood of successful outcomes. DOR will also work with CDE and DDS to provide technical assistance to LPA partners on provision of supportive services for individuals with intellectual and developmental disabilities. DOR will enhance access to ancillary services housed within DOR, such as Assistive Technology Act services, Independent Living, Traumatic Brain Injury, Mobility Evaluation Program, and benefits planning, and will partner with Independent Living Centers, Traumatic Brain Injury Sites, and America's Job Centers of California (AJCCs) to increase co-enrollment and identify the scope of need for these services for co-enrolled individuals with disabilities.

DOR will also inform business partners on hiring incentives and resources (e.g. Work Opportunity Tax Credit, Talent Acquisition Portal, Disability Awareness training, the Assistive Technology network, and DOR Business Based Services) to support businesses employing, supporting, retaining and promoting qualified talent with disabilities.

CalFresh and CalWORKS

The CDSS will provide the CWDB with training, education, and technical assistance around availability of support services, this may include programs and systems updates that can assist with eligibility verification, data sharing, and/or co-enrollment.

Creating Cross-System Data Capacity

This strategy includes using diagnostic labor market data to assess where to invest, and also, the use performance data to assess the value of those investments.

California will use diagnostic data to help steer investment to help ensure that programs align with labor market trends and needs by looking at patterns of job growth as well as aggregate education and training program output with respect to the number of degrees and certificates received and industry recognized credentials awarded. Performance data is intended to

measure typical program outcomes for individuals receiving services while helping quantify skills attainment and degree and credential production.

The CWDB will continue to build upon the Cross-Systems Analytics and Assessment for Learning and Skills Attainment (CAAL-Skills) program in an effort to unite workforce system partners in a program that enables a holistic yet statistically rigorous assessment of California's workforce system. This will enable the evaluation of workforce programs individually and collectively at the regional level through the assessment of outcomes.

Integrated Service Delivery

This strategy includes braiding resources and coordinating services at the local level to meet client needs.

California will build upon existing and identify new methods for integrating service delivery and braiding resources in order to improve an individual's ability to access the broad array of services funded across the state's workforce and education programs. The expansion and creation of "value-added" partnerships at the state, regional, and local levels will serve as mechanisms to ensure that services are integrated and aligned across systems.

California is in the initial phase of piloting a statewide effort to electronically share common data elements and trigger referrals between CalJOBS℠, a data exchange, and other program partners. The intent of this effort is to assist job seekers by reducing the burden of providing the same common items to multiple agencies (if receiving services from multiple programs), streamline data collection for staff, and assist programs with identifying potentially eligible individuals.

Title III

The EDD will work with CWDB to conduct a business process improvement analysis of the following programs and services: Worker Adjustment Retraining Notification, WIOA Rapid Response, WIOA Additional Assistance, WIOA Layoff Aversion, National Dislocated Worker Grants, Re-Employment Services and Eligibility Assessment, Trade Adjustment Assistance, California Training Benefits, and WorkShare. As part of the analysis, staff from the respective programs will be identifying ways to incorporate elements the vision, objectives, and strategies of the State Plan into the operational practices of the programs.

Title IV

DOR will establish a Memorandum of Understanding (MOU) with CWDB, CDCR, and CALPIA centered on supporting the successful transition from prison to employment for individuals with disabilities. The DOR is currently working on a pilot project in partnership with the CDCR; pending the outcomes from the pilot, DOR and CDCR will draft and finalize the MOUT to support the successful transition from prison to employment for individuals with disabilities.

The DOR, CDE, and DDS will work with CWDB to achieve the performance measures outlined California's CIE Blueprint for individuals with developmental and intellectual disabilities. This includes inviting Local Boards to local CIE partnership agreement collaborations and identifying a CIE point of contact for Local Boards in each DOR district.

CalWORKS

The CDSS and the CWDB will meet, and when appropriate, develop a joint action plan to address changes to federal policy that may disproportionately impact underserved populations. State partners will communicate both jointly and individually with their local counterparts on the impact and opportunity to coordinate existing services and strategies to mitigate any negative impacts. This may include joint guidance or other agreed upon communication strategies.

Corrections Workforce Partnership

The Corrections Workforce Partnership will explore the creation of a pilot program where a dedicated staff member at the local level would serve as a formal liaison between the corrections and workforce systems for individuals in the process of returning home. This would include aligning the training and certifications that individuals obtained pre-release through the correction system with the services and job opportunities that are provided post-release through the workforce system.

Department of Child Support Services

The DCSS and CWDB will work with EDD to expand the existing data sharing agreement that allows DCSS to access CalJOBS℠ data in order to facilitate referral tracking of parents' paying support who are enrolled in workforce programs.

B. ALIGNMENT WITH ACTIVITIES OUTSIDE THE PLAN

As part of the State Plan development process, the CWDB facilitated nearly twenty separate coordination meetings with WIOA core, required, and strategic state partners in 2019. The meetings served as a working forum to discuss realistic, achievable, and concrete ways to jointly implement the vision, objectives, and strategies of the State Plan.

The meetings were used to establish partnership agreements that provided a roadmap for establishing and expanding partnership at the state, regional, and local levels. Each agreement was based off of the same foundational framework and includes goals associated with one or more of the State Plan's seven strategies to ensure ongoing alignment of the various.

Unfortunately, after the State Plan was submitted in March 2020, emergence of the COVID-19 pandemic uprooted everything. Due to the critical services that CWDB and many of our partner's deliver, most pre-pandemic State Plan partnership activities were placed on hold in order to focus on meeting the immediate needs of the millions of Californian's whose lives were severely impacted by the pandemic.

As part of the State Plan Modification process the CWDB held another set of coordination meetings with WIOA core, required, and strategic state partners in order to revisit and revise each partnership agreement in light of the last two years. Partners discussed the goals established in 2019 and decided whether to leave them the same, edit them, or replace them with new goals that the group felt were more appropriate in our current economic climate. Many of the goals outlined below will help to implement more than just one strategy, however, to avoid duplication, each goal was listed under the strategy with which it seemed to best align.

Sector Strategies

This strategy includes aligning workforce and education programs with leading and emergent industry sectors' skills needs. California will prioritize investments where overall economic returns for individuals with barriers to employment are likely to be highest, specifically in those sectors that generate significant gains in terms of jobs and income. It will also actively pursue ways to build capacity at the state level for coordination, outreach, convening, organizing, and support of industry sector partnerships.

Title I

The CWDB will continue to issue Local and Regional Planning guidance that requires Local Workforce Development Boards (Local Boards), organized into Regional Planning Units (RPUs), to work with industry and service providers in each region, to build industry sector partnerships and career pathways aligned with the partnerships.

Title II

The CDE will work with CWDB to support local workforce and adult education programs in their engagement with employers so that they develop programs that will meet the local need. This can include identifying new opportunities for providing adult education services at the work location. For example, having an ESL class offered at a company or work site to help the employees improve English skills which could then improve their opportunities for advancement.

Title IV

The DOR will support employers with adherence to Section 503 of the Rehabilitation Act of 1973, which requires federal contractors to take affirmative action to recruit, hire, promote, and retain individuals with disabilities. DOR will establish and maintain a single point of contact for the America's Job Center of California (AJCC) business services staff and employers requesting assistance with Section 503 compliance to find and develop qualified talent, including individuals with disabilities. DOR will also ensure local leadership meets with local business leaders from identified in-demand sectors, as determined by their local RPU, to develop working partnerships or establish initiatives that support hiring and/or recruitment of individuals with disabilities.

The DOR will invite business partners and career education and training entities, as appropriate, to participate in at least 20 percent of the Competitive Integrated Employment (CIE) Local Partnership Agreements (LPA) between Local Education Agencies (LEAs), DOR districts, and regional centers to create engagement with local and regional business partners to increase utilization of job-driven training and other pathways to CIE for youth and adults with intellectual and developmental disabilities in both the public and private sectors.

CalFresh and CalWORKS

The California Department of Social Services (CDSS) and CWDB will engage in ongoing discussions around high-priority industry sectors. This includes potential education, apprenticeship/pre-apprenticeship, training, and recruitment for opportunities within the growing care economy, including the child care and in-home supportive service sectors, in alignment with current investments and anticipated growth over the next several years.

Corrections Workforce Partnership

The Corrections Workforce Partnership, comprised of California Department of Corrections and Rehabilitation (CDCR) and California Prison Industry Authority (CALPIA), and CWDB, will work to sustain and scale previously piloted in-facility state civil service examination events by increasing the number of facility locations and the number of state and local civil service hiring partners.

Career Pathways

This strategy includes enabling of progressive skills development through education and training programs using multiple entry and exit points, so that each level of skills development corresponds with labor market gains for those being trained or educated.

California will utilize career pathways to facilitate incremental and progressive skills attainment over time, in clearly segmented blocks, such that those who move through the pathway obtain education or training services built on the foundation of prior learning efforts.

Title I

The CWDB will provide technical assistance to Local Boards on partnering with industry and training providers to utilize career pathways that provide participants a packaged set of skills with labor market value at each stage of the learning process.

Title II

The CDE will utilize the Integrated Education and Training model and partner with Local Boards to provide students with the literacy and skill development needed for high roads occupations.

Title IV

The DOR will establish or modify formal partnerships with Title I and Title II at the state and local level that are geared towards supporting career pathways for all individuals with disabilities, including those with behavioral health disabilities, students with disabilities, transition age foster youth with disabilities, individuals with intellectual and developmental disabilities, and justice involved individuals with disabilities. The DOR will update the template to use for the formal partnerships with the AJCC's and Adult Education Title II with strategies for supporting career pathways for those communities named above.

Career Technical Education

As joint administrators of the Perkin V program, CDE, State Board of Education (SBE), and California Community Colleges Chancellor's Office (CCCO) will work with CWDB to identify opportunities to advance career pathways at the local and regional level through implementation the State Plan for Career and Technical Education.

Regional Partnerships

This strategy includes building partnerships between industry leaders, including organized labor, workforce professionals, education and training providers, and economic development leaders to develop workforce and education policies that support regional economic growth.

California will develop value-added partnerships that not only help achieve the policy goals of the partnership but also help partners achieve their organizational goals. A value-added partnership is one in which all partners gain from the relationships built through the organizing process.

Title I

The CWDB will continue to use WIOA statewide funds to support Local Board implementation of relevant regional sector initiatives and the WIOA Regional Plans.

Title II

The CDE will work with CWDB to identify forums such as conferences, meetings, and other opportunities to share joint information for the purpose of advising workforce providers, education practitioners, and policy-makers of services available to shared populations.

Title IV

The DOR will ensure that representatives from local district offices maintain regular participation on their Local Boards and within each of the 15 RPU for the purposes of developing workforce and education policies that support regional economic growth.

The DOR will work with CWDB to ensure resources for cross-training of frontline staff across the 15 RPUs, including the dissemination of CIE resources and information to Local Boards and participation in technical assistance calls with LPA partners.

CalFresh and CalWORKs

The CWDB and the CDSS will continue quarterly meetings of the Regional Workforce and Equity Partnership (RWEP). The group will explore expanding its membership to include the California Workforce Association, California Welfare Directors Association, as well as a variety of program areas within CDSS including: CalFresh Employment & Training, CalWORKs, Housing, In-Home

Supportive Services, Child Care and Development, and the Office of Equity. Through the RWEP, the CWDB and CDSS will jointly develop and provide guidance on how to establish a baseline for actionable, collaborative partnership activities between the various systems that are human-centered and outcome-oriented.

Career Technical Education

The CWDB will partner with CDE, SBE, and CCCO to utilize the community colleges regional and K-12 structures to encourage greater alignment of a local institutions with their local and regional workforce ecosystems, which includes all required state and federal programs.

Corrections Workforce Partnership

The Corrections Workforce Partnership will work with CWDB to create a closed-loop referral or communication process between Local Boards, RPUs, and CDCR to ensure the provision of employment services and supportive services to meet all of the individual's needs.

Child Support Services

The Department of Child Support Services (DCSS) and CWDB will meet on a quarterly basis to identify best practices and create technical assistance tools to help facilitate partnership between Local Boards and local child support agencies. These tools may include, but are not limited to, the issuance of a policy brief, creation of a best practices guide, and the development of an instructional webinar for the field.

Earn and Learn

This strategy includes using training and education best practices that combine applied learning opportunities with material compensation while facilitating skills development in the context of actual labor market participation.

California will prioritize earn and learn policies that facilitate skills attainment while also providing those participating in these programs with some form of compensated work experience, allowing them to "earn" income while they "learn" to do a job. Specifically, earn-and-learn opportunities will be prioritized for individuals who have barriers to employment and cannot afford to attend an education or training program full time, both because of costs associated with training and education fees and tuition and because time spent in the classroom reduces time that can be spent earning income.

In alignment with the Governor's goal to significantly increase apprenticeships, the CWDB and state partners commit to expanding access to apprenticeships and other paid work experiences for shared populations in the following ways:

- CWDB will continue to invest federal and state funds in the development of High Road Training Partnerships (HRTPs), High Road Construction Careers (HRCCs), and other initiatives that lead to the placement of participants in state approved pre-apprenticeships and apprenticeships.
- DOR will emphasize and support increased access to earn-and-learn opportunities for consumers, including students with disabilities, such as including on-the-job training, paid work experiences, internships, and apprenticeships in high demand industries. The DOR is working with the Department of Industrial Relations Division of Apprenticeship Standards to provide presentations to DOR districts on the benefits of apprenticeships and how DOR can help consumers obtain apprenticeships.
- DOR, CDE, and Department of Development Services (DDS) will continue to leverage funding to facilitate access to work experience opportunities for youth and adults with disabilities, including paid internship programs and state internship programs.

- The Corrections Workforce Partnership will work with the construction trades to facilitate direct placement into construction apprenticeship of previously trained justice involved individuals upon release.
- CalFresh and CalWORKS will explore training and potential apprenticeship opportunities for in demand Early Learning and Care positions.

Supportive Services

This strategy includes providing ancillary services like childcare, transportation, and counseling to facilitate program completion by those enrolled in training and education courses.

California will continue to expand access to funding for supportive services that enable an individual to participate in workforce-funded programs and activities to secure and retain employment. The type of supportive services provided will be dependent on each particular client's needs and background to the supports are person-centered.

Title II

CDE will work with CWDB to share information to local counterparts about available resources for school and program alternatives that provide students with the environment, curriculum, and support systems needed to ensure that they achieve their full academic potential.

Title IV

DOR will work with CWDB to ensure greater coordination in the provision of the support services for individuals with disabilities in order to increase the likelihood of successful outcomes. DOR will also work with CDE and DDS to provide technical assistance to LPA partners on provision of supportive services for individuals with intellectual and developmental disabilities. DOR will enhance access to ancillary services housed within DOR, such as Assistive Technology Act services, Independent Living, Traumatic Brain Injury, Mobility Evaluation Program, and benefits planning, and will partner with Independent Living Centers, Traumatic Brain Injury Sites, and America's Job Centers of California (AJCCs) to increase co-enrollment and identify the scope of need for these services for co-enrolled individuals with disabilities.

DOR will also inform business partners on hiring incentives and resources (e.g. Work Opportunity Tax Credit, Talent Acquisition Portal, Disability Awareness training, the Assistive Technology network, and DOR Business Based Services) to support businesses employing, supporting, retaining and promoting qualified talent with disabilities.

CalFresh and CalWORKS

The CDSS will provide the CWDB with training, education, and technical assistance around availability of support services, this may include programs and systems updates that can assist with eligibility verification, data sharing, and/or co-enrollment.

Creating Cross-System Data Capacity

This strategy includes using diagnostic labor market data to assess where to invest, and also, the use performance data to assess the value of those investments.

California will use diagnostic data to help steer investment to help ensure that programs align with labor market trends and needs by looking at patterns of job growth as well as aggregate education and training program output with respect to the number of degrees and certificates received and industry recognized credentials awarded. Performance data is intended to measure typical program outcomes for individuals receiving services while helping quantify skills attainment and degree and credential production.

The CWDB will continue to build upon the Cross-Systems Analytics and Assessment for Learning and Skills Attainment (CAAL-Skills) program in an effort to unite workforce system partners in a program that enables a holistic yet statistically rigorous assessment of California's workforce system. This will enable the evaluation of workforce programs individually and collectively at the regional level through the assessment of outcomes.

Integrated Service Delivery

This strategy includes braiding resources and coordinating services at the local level to meet client needs.

California will build upon existing and identify new methods for integrating service delivery and braiding resources in order to improve an individual's ability to access the broad array of services funded across the state's workforce and education programs. The expansion and creation of "value-added" partnerships at the state, regional, and local levels will serve as mechanisms to ensure that services are integrated and aligned across systems.

California is in the initial phase of piloting a statewide effort to electronically share common data elements and trigger referrals between CalJOBS℠, a data exchange, and other program partners. The intent of this effort is to assist job seekers by reducing the burden of providing the same common items to multiple agencies (if receiving services from multiple programs), streamline data collection for staff, and assist programs with identifying potentially eligible individuals.

Title III

The EDD will work with CWDB to conduct a business process improvement analysis of the following programs and services: Worker Adjustment Retraining Notification, WIOA Rapid Response, WIOA Additional Assistance, WIOA Layoff Aversion, National Dislocated Worker Grants, Re-Employment Services and Eligibility Assessment, Trade Adjustment Assistance, California Training Benefits, and WorkShare. As part of the analysis, staff from the respective programs will be identifying ways to incorporate elements the vision, objectives, and strategies of the State Plan into the operational practices of the programs.

Title IV

DOR will establish a Memorandum of Understanding (MOU) with CWDB, CDCR, and CALPIA centered on supporting the successful transition from prison to employment for individuals with disabilities. The DOR is currently working on a pilot project in partnership with the CDCR; pending the outcomes from the pilot, DOR and CDCR will draft and finalize the MOUT to support the successful transition from prison to employment for individuals with disabilities.

The DOR, CDE, and DDS will work with CWDB to achieve the performance measures outlined California's CIE Blueprint for individuals with developmental and intellectual disabilities. This includes inviting Local Boards to local CIE partnership agreement collaborations and identifying a CIE point of contact for Local Boards in each DOR district.

CalWORKS

The CDSS and the CWDB will meet, and when appropriate, develop a joint action plan to address changes to federal policy that may disproportionately impact underserved populations. State partners will communicate both jointly and individually with their local counterparts on the impact and opportunity to coordinate existing services and strategies to mitigate any negative impacts. This may include joint guidance or other agreed upon communication strategies.

Corrections Workforce Partnership

The Corrections Workforce Partnership will explore the creation of a pilot program where a dedicated staff member at the local level would serve as a formal liaison between the

corrections and workforce systems for individuals in the process of returning home. This would include aligning the training and certifications that individuals obtained pre-release through the correction system with the services and job opportunities that are provided post-release through the workforce system.

Department of Child Support Services

The DCSS and CWDB will work with EDD to expand the existing data sharing agreement that allows DCSS to access CalJOBS℠ data in order to facilitate referral tracking of parents' paying support who are enrolled in workforce programs.

Additional Information - Veteran Services

In California, AJCCs assist veterans and their eligible spouses maximize employment and training opportunities through various service delivery strategies and programs. These include, but are not limited to, the following:

Veterans' Priority of Service

AJCCs are required to provide priority of service to veterans and eligible spouses for all WIOA and Wagner-Peyser funded activities, including technology–assisted activities. More specifically, a veteran or an eligible spouse either receives access to a service earlier in time than a non-covered person or, if the resource is limited, the veteran or eligible spouse receives access to the service instead of or before the non-covered person.

Veteran Services Navigator

Throughout the state, many AJCCs have Wagner-Peyser staff who serve as Veteran Service Navigators (VSN). Upon entering an AJCC℠, a VSN will conduct a Needs Based Determination (NBD) to identify the employment needs of a veteran. The purpose of the NBD is for the VSN to identify any potential barriers to employment and determine what services the veteran may require to improve their employability. Based on their needs, a veteran can then be referred to general employment services or more individualized career services, such as those provided through the Jobs for Veterans State Grant (JVSG) program.

Jobs for Veterans State Grant

The JSVG program allows California to provide services to veterans, eligible spouses, and other eligibles as determined by the Secretary of Labor by funding three principal staff positions:

- Disabled veterans' outreach program specialists (DVOP)
- Local veterans' employment representatives (LVER)
- Consolidate veterans' representative

The DVOP and LVER staff at the local AJCC coordinate, along with partner agencies, a wide array of services including, employment services, job training, vocational education, supportive services, and participation in community college programs.

The DVOP specialists focus their efforts on those economically or educationally disadvantaged veterans who can reasonably be expected to benefit as a result of the receipt of individualized career services. These veterans will receive individualized career services within the AJCC system including:

- Objective assessment of education, skills, and abilities.
- Individual Employment Plan to identify employment goals, interim objectives, and appropriate services that will enable the veteran to meet his or her employment goals.

- In-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.
- Group and individual career coaching.
- Short-term pre-vocational services that may include the development of learning and communication, interviewing, and personal maintenance skills; and professional conduct to prepare individuals for career goals.

LVER staff conduct outreach to employers, assist veterans in job development contacts, in conjunction with employers conduct job search workshops, and establish job search groups. They also facilitate employment, training, and placement services to promote the hiring of veterans. The LVER concentrates on individualized job development services for veterans, especially those determined to be job-ready after receipt of individualized career services from a DVOP specialist.

Consolidated veteran representatives are responsible for performing both DVOP and LVER roles in the rural areas of California.

Veterans Employment Related Assistance Program

The Veterans' Employment-Related Assistance Program (VEAP) is a competitive grant program that promotes the use of regional industry-sector strategies as the framework to help unemployed and underemployed veterans with significant barriers to employment transition from military careers to rewarding civilian employment. Eligible applicants include public and private non-profit organizations, private for-profit organizations, Local Areas, education and training providers, non-local areas, and faith-based organizations. Each application requires a formal partnership/collaboration between Local Area staff, Wagner–Peyser staff, and JVSG staff.

C. COORDINATION, ALIGNMENT AND PROVISION OF SERVICES TO INDIVIDUALS

As part of the State Plan development process, the CWDB facilitated nearly twenty separate coordination meetings with WIOA core, required, and strategic state partners in 2019. The meetings served as a working forum to discuss realistic, achievable, and concrete ways to jointly implement the vision, objectives, and strategies of the State Plan.

The meetings were used to establish partnership agreements that provided a roadmap for establishing and expanding partnership at the state, regional, and local levels. Each agreement was based off of the same foundational framework and includes goals associated with one or more of the State Plan's seven strategies to ensure ongoing alignment of the various.

Unfortunately, after the State Plan was submitted in March 2020, emergence of the COVID-19 pandemic uprooted everything. Due to the critical services that CWDB and many of our partner's deliver, most pre-pandemic State Plan partnership activities were placed on hold in order to focus on meeting the immediate needs of the millions of Californian's whose lives were severely impacted by the pandemic.

As part of the State Plan Modification process the CWDB held another set of coordination meetings with WIOA core, required, and strategic state partners in order to revisit and revise each partnership agreement in light of the last two years. Partners discussed the goals established in 2019 and decided whether to leave them the same, edit them, or replace them with new goals that the group felt were more appropriate in our current economic climate. Many of the goals outlined below will help to implement more than just one strategy, however, to avoid duplication, each goal was listed under the strategy with which it seemed to best align.

Sector Strategies

This strategy includes aligning workforce and education programs with leading and emergent industry sectors' skills needs. California will prioritize investments where overall economic returns for individuals with barriers to employment are likely to be highest, specifically in those sectors that generate significant gains in terms of jobs and income. It will also actively pursue ways to build capacity at the state level for coordination, outreach, convening, organizing, and support of industry sector partnerships.

Title I

The CWDB will continue to issue Local and Regional Planning guidance that requires Local Workforce Development Boards (Local Boards), organized into Regional Planning Units (RPUs), to work with industry and service providers in each region, to build industry sector partnerships and career pathways aligned with the partnerships.

Title II

The CDE will work with CWDB to support local workforce and adult education programs in their engagement with employers so that they develop programs that will meet the local need. This can include identifying new opportunities for providing adult education services at the work location. For example, having an ESL class offered at a company or work site to help the employees improve English skills which could then improve their opportunities for advancement.

Title IV

The DOR will support employers with adherence to Section 503 of the Rehabilitation Act of 1973, which requires federal contractors to take affirmative action to recruit, hire, promote, and retain individuals with disabilities. DOR will establish and maintain a single point of contact for the America's Job Center of California (AJCC) business services staff and employers requesting assistance with Section 503 compliance to find and develop qualified talent, including individuals with disabilities. DOR will also ensure local leadership meets with local business leaders from identified in-demand sectors, as determined by their local RPU, to develop working partnerships or establish initiatives that support hiring and/or recruitment of individuals with disabilities.

The DOR will invite business partners and career education and training entities, as appropriate, to participate in at least 20 percent of the Competitive Integrated Employment (CIE) Local Partnership Agreements (LPA) between Local Education Agencies (LEAs), DOR districts, and regional centers to create engagement with local and regional business partners to increase utilization of job-driven training and other pathways to CIE for youth and adults with intellectual and developmental disabilities in both the public and private sectors.

CalFresh and CalWORKS

The California Department of Social Services (CDSS) and CWDB will engage in ongoing discussions around high-priority industry sectors. This includes potential education, apprenticeship/pre-apprenticeship, training, and recruitment for opportunities within the growing care economy, including the child care and in-home supportive service sectors, in alignment with current investments and anticipated growth over the next several years.

Corrections Workforce Partnership

The Corrections Workforce Partnership, comprised of California Department of Corrections and Rehabilitation (CDCR) and California Prison Industry Authority (CALPIA), and CWDB, will work to sustain and scale previously piloted in-facility state civil service examination events by

increasing the number of facility locations and the number of state and local civil service hiring partners.

Career Pathways

This strategy includes enabling of progressive skills development through education and training programs using multiple entry and exit points, so that each level of skills development corresponds with labor market gains for those being trained or educated.

California will utilize career pathways to facilitate incremental and progressive skills attainment over time, in clearly segmented blocks, such that those who move through the pathway obtain education or training services built on the foundation of prior learning efforts.

Title I

The CWDB will provide technical assistance to Local Boards on partnering with industry and training providers to utilize career pathways that provide participants a packaged set of skills with labor market value at each stage of the learning process.

Title II

The CDE will utilize the Integrated Education and Training model and partner with Local Boards to provide students with the literacy and skill development needed for high roads occupations.

Title IV

The DOR will establish or modify formal partnerships with Title I and Title II at the state and local level that are geared towards supporting career pathways for all individuals with disabilities, including those with behavioral health disabilities, students with disabilities, transition age foster youth with disabilities, individuals with intellectual and developmental disabilities, and justice involved individuals with disabilities. The DOR will update the template to use for the formal partnerships with the AJCC's and Adult Education Title II with strategies for supporting career pathways for those communities named above.

Career Technical Education

As joint administrators of the Perkin V program, CDE, State Board of Education (SBE), and California Community Colleges Chancellor's Office (CCCO) will work with CWDB to identify opportunities to advance career pathways at the local and regional level through implementation the State Plan for Career and Technical Education.

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This strategy includes building partnerships between industry leaders, including organized labor, workforce professionals, education and training providers, and economic development leaders to develop workforce and education policies that support regional economic growth.

California will develop value-added partnerships that not only help achieve the policy goals of the partnership but also help partners achieve their organizational goals. A value-added partnership is one in which all partners gain from the relationships built through the organizing process.

Title I

The CWDB will continue to use WIOA statewide funds to support Local Board implementation of relevant regional sector initiatives and the WIOA Regional Plans.

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The CDE will work with CWDB to identify forums such as conferences, meetings, and other opportunities to share joint information for the purpose of advising workforce providers, education practitioners, and policy-makers of services available to shared populations.

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The DOR will ensure that representatives from local district offices maintain regular participation on their Local Boards and within each of the 15 RPU for the purposes of developing workforce and education policies that support regional economic growth.

The DOR will work with CWDB to ensure resources for cross-training of frontline staff across the 15 RPUs, including the dissemination of CIE resources and information to Local Boards and participation in technical assistance calls with LPA partners.

CalFresh and CalWORKs

The CWDB and the CDSS will continue quarterly meetings of the Regional Workforce and Equity Partnership (RWEP). The group will explore expanding its membership to include the California Workforce Association, California Welfare Directors Association, as well as a variety of program areas within CDSS including: CalFresh Employment & Training, CalWORKs, Housing, In-Home Supportive Services, Child Care and Development, and the Office of Equity. Through the RWEP, the CWDB and CDSS will jointly develop and provide guidance on how to establish a baseline for actionable, collaborative partnership activities between the various systems that are human-centered and outcome-oriented.

Career Technical Education

The CWDB will partner with CDE, SBE, and CCCO to utilize the community colleges regional and K-12 structures to encourage greater alignment of a local institutions with their local and regional workforce ecosystems, which includes all required state and federal programs.

Corrections Workforce Partnership

The Corrections Workforce Partnership will work with CWDB to create a closed-loop referral or communication process between Local Boards, RPUs, and CDCR to ensure the provision of employment services and supportive services to meet all of the individual's needs.

Child Support Services

The Department of Child Support Services (DCSS) and CWDB will meet on a quarterly basis to identify best practices and create technical assistance tools to help facilitate partnership between Local Boards and local child support agencies. These tools may include, but are not limited to, the issuance of a policy brief, creation of a best practices guide, and the development of an instructional webinar for the field.

Earn and Learn

This strategy includes using training and education best practices that combine applied learning opportunities with material compensation while facilitating skills development in the context of actual labor market participation.

California will prioritize earn and learn policies that facilitate skills attainment while also providing those participating in these programs with some form of compensated work experience, allowing them to "earn" income while they "learn" to do a job. Specifically, earn-and-learn opportunities will be prioritized for individuals who have barriers to employment and cannot afford to attend an education or training program full time, both because of costs associated with training and education fees and tuition and because time spent in the classroom reduces time that can be spent earning income.

In alignment with the Governor's goal to significantly increase apprenticeships, the CWDB and state partners commit to expanding access to apprenticeships and other paid work experiences for shared populations in the following ways:

- CWDB will continue to invest federal and state funds in the development of High Road Training Partnerships (HRTPs), High Road Construction Careers (HRCCs), and other initiatives that lead to the placement of participants in state approved pre-apprenticeships and apprenticeships.
- DOR will emphasize and support increased access to earn-and-learn opportunities for consumers, including students with disabilities, such as including on-the-job training, paid work experiences, internships, and apprenticeships in high demand industries. The DOR is working with the Department of Industrial Relations Division of Apprenticeship Standards to provide presentations to DOR districts on the benefits of apprenticeships and how DOR can help consumers obtain apprenticeships.
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This strategy includes providing ancillary services like childcare, transportation, and counseling to facilitate program completion by those enrolled in training and education courses.

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CDE will work with CWDB to share information to local counterparts about available resources for school and program alternatives that provide students with the environment, curriculum, and support systems needed to ensure that they achieve their full academic potential.

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The CDSS will provide the CWDB with training, education, and technical assistance around availability of support services, this may include programs and systems updates that can assist with eligibility verification, data sharing, and/or co-enrollment.

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This strategy includes braiding resources and coordinating services at the local level to meet client needs.

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California is in the initial phase of piloting a statewide effort to electronically share common data elements and trigger referrals between CalJOBS℠, a data exchange, and other program partners. The intent of this effort is to assist job seekers by reducing the burden of providing the same common items to multiple agencies (if receiving services from multiple programs), streamline data collection for staff, and assist programs with identifying potentially eligible individuals.

Title III

The EDD will work with CWDB to conduct a business process improvement analysis of the following programs and services: Worker Adjustment Retraining Notification, WIOA Rapid Response, WIOA Additional Assistance, WIOA Layoff Aversion, National Dislocated Worker Grants, Re-Employment Services and Eligibility Assessment, Trade Adjustment Assistance, California Training Benefits, and WorkShare. As part of the analysis, staff from the respective programs will be identifying ways to incorporate elements the vision, objectives, and strategies of the State Plan into the operational practices of the programs.

Title IV

DOR will establish a Memorandum of Understanding (MOU) with CWDB, CDCR, and CALPIA centered on supporting the successful transition from prison to employment for individuals with disabilities. The DOR is currently working on a pilot project in partnership with the CDCR; pending the outcomes from the pilot, DOR and CDCR will draft and finalize the MOUT to support the successful transition from prison to employment for individuals with disabilities.

The DOR, CDE, and DDS will work with CWDB to achieve the performance measures outlined California's CIE Blueprint for individuals with developmental and intellectual disabilities. This includes inviting Local Boards to local CIE partnership agreement collaborations and identifying a CIE point of contact for Local Boards in each DOR district.

CalWORKS

The CDSS and the CWDB will meet, and when appropriate, develop a joint action plan to address changes to federal policy that may disproportionately impact underserved populations. State partners will communicate both jointly and individually with their local counterparts on the impact and opportunity to coordinate existing services and strategies to mitigate any negative impacts. This may include joint guidance or other agreed upon communication strategies.

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The Corrections Workforce Partnership will explore the creation of a pilot program where a dedicated staff member at the local level would serve as a formal liaison between the corrections and workforce systems for individuals in the process of returning home. This would include aligning the training and certifications that individuals obtained pre-release through the correction system with the services and job opportunities that are provided post-release through the workforce system.

Department of Child Support Services

The DCSS and CWDB will work with EDD to expand the existing data sharing agreement that allows DCSS to access CalJOBS℠ data in order to facilitate referral tracking of parents' paying support who are enrolled in workforce programs.

Additional Information - Title IV

DOR makes vocational rehabilitation services available to assist consumers to prepare for, secure, retain, or regain an employment outcome that is consistent with the individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice. As part of a consumer's vocational journey, DOR may provide support services such as transportation, childcare, and personal assistance services to support a consumer while they are working to obtain, maintain, retain, or advance in employment.

DOR has 85 offices located throughout the State that provide and arrange for services for DOR's consumers, including consumers located in remote or rural areas. DOR is increasing the availability of remote services, including tele-counseling, to serve consumers who are unable to access DOR offices and provide enhanced customer service for consumers.

DOR is often physically co-located at the AJCC's to ensure individuals with disabilities experience "no wrong door" and are able to access the services they need through DOR and the AJCC's. In addition, DOR is piloting a new position called Community Resource Navigator to ensure community services are provided to all consumers, including consumers in rural or disadvantaged areas.

After further consultation with the CWDB State Partnership team, we added the following information:

The CWDB will continue to work with CDE to identify and align opportunities to integrate service delivery at the local level, including coordinating activities with education and training providers with the Local Workforce Development Areas. Additionally, the CWDB will work with CDE to prepare Local Boards with review of the WIOA Title II Adult Education and Family Literacy Act (AEFLA) applications submitted to the CDE. As such, the CWDB will work with CDE to provide coordination and technical assistance to Local Boards to ensure AEFLA applications have strong partnerships and relevant alignment strategies and activities in place, which can inform training and development for others.

D. COORDINATION, ALIGNMENT AND PROVISION OF SERVICES TO EMPLOYERS

As part of the State Plan development process, the CWDB facilitated nearly twenty separate coordination meetings with WIOA core, required, and strategic state partners in 2019. The meetings served as a working forum to discuss realistic, achievable, and concrete ways to jointly implement the vision, objectives, and strategies of the State Plan.

The meetings were used to establish partnership agreements that provided a roadmap for establishing and expanding partnership at the state, regional, and local levels. Each agreement was based off of the same foundational framework and includes goals associated with one or more of the State Plan's seven strategies to ensure ongoing alignment of the various.

Unfortunately, after the State Plan was submitted in March 2020, emergence of the COVID-19 pandemic uprooted everything. Due to the critical services that CWDB and many of our partner's deliver, most pre-pandemic State Plan partnership activities were placed on hold in order to focus on meeting the immediate needs of the millions of Californian's whose lives were severely impacted by the pandemic.

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Sector Strategies

This strategy includes aligning workforce and education programs with leading and emergent industry sectors' skills needs. California will prioritize investments where overall economic returns for individuals with barriers to employment are likely to be highest, specifically in those sectors that generate significant gains in terms of jobs and income. It will also actively pursue ways to build capacity at the state level for coordination, outreach, convening, organizing, and support of industry sector partnerships.

Title I

The CWDB will continue to issue Local and Regional Planning guidance that requires Local Workforce Development Boards (Local Boards), organized into Regional Planning Units (RPUs), to work with industry and service providers in each region, to build industry sector partnerships and career pathways aligned with the partnerships.

Title II

The CDE will work with CWDB to support local workforce and adult education programs in their engagement with employers so that they develop programs that will meet the local need.

This can include identifying new opportunities for providing adult education services at the work location. For example, having an ESL class offered at a company or work site to help the employees improve English skills which could then improve their opportunities for advancement.

Title IV

The DOR will support employers with adherence to Section 503 of the Rehabilitation Act of 1973, which requires federal contractors to take affirmative action to recruit, hire, promote, and retain individuals with disabilities. DOR will establish and maintain a single point of contact for the America's Job Center of California (AJCC) business services staff and employers requesting assistance with Section 503 compliance to find and develop qualified talent, including individuals with disabilities. DOR will also ensure local leadership meets with local business leaders from identified in-demand sectors, as determined by their local RPU, to develop working partnerships or establish initiatives that support hiring and/or recruitment of individuals with disabilities.

The DOR will invite business partners and career education and training entities, as appropriate, to participate in at least 20 percent of the Competitive Integrated Employment (CIE) Local Partnership Agreements (LPA) between Local Education Agencies (LEAs), DOR districts, and regional centers to create engagement with local and regional business partners to increase utilization of job-driven training and other pathways to CIE for youth and adults with intellectual and developmental disabilities in both the public and private sectors.

CalFresh and CalWORKS

The California Department of Social Services (CDSS) and CWDB will engage in ongoing discussions around high-priority industry sectors. This includes potential education, apprenticeship/pre-apprenticeship, training, and recruitment for opportunities within the growing care economy, including the child care and in-home supportive service sectors, in alignment with current investments and anticipated growth over the next several years.

Corrections Workforce Partnership

The Corrections Workforce Partnership, comprised of California Department of Corrections and Rehabilitation (CDCR) and California Prison Industry Authority (CALPIA), and CWDB, will work to sustain and scale previously piloted in-facility state civil service examination events by increasing the number of facility locations and the number of state and local civil service hiring partners.

Career Pathways

This strategy includes enabling of progressive skills development through education and training programs using multiple entry and exit points, so that each level of skills development corresponds with labor market gains for those being trained or educated.

California will utilize career pathways to facilitate incremental and progressive skills attainment over time, in clearly segmented blocks, such that those who move through the pathway obtain education or training services built on the foundation of prior learning efforts.

Title I

The CWDB will provide technical assistance to Local Boards on partnering with industry and training providers to utilize career pathways that provide participants a packaged set of skills with labor market value at each stage of the learning process.

Title II

The CDE will utilize the Integrated Education and Training model and partner with Local Boards to provide students with the literacy and skill development needed for high roads occupations.

Title IV

The DOR will establish or modify formal partnerships with Title I and Title II at the state and local level that are geared towards supporting career pathways for all individuals with disabilities, including those with behavioral health disabilities, students with disabilities, transition age foster youth with disabilities, individuals with intellectual and developmental disabilities, and justice involved individuals with disabilities. The DOR will update the template to use for the formal partnerships with the AJCC's and Adult Education Title II with strategies for supporting career pathways for those communities named above.

Career Technical Education

As joint administrators of the Perkin V program, CDE, State Board of Education (SBE), and California Community Colleges Chancellor's Office (CCCO) will work with CWDB to identify opportunities to advance career pathways at the local and regional level through implementation the State Plan for Career and Technical Education.

Regional Partnerships

This strategy includes building partnerships between industry leaders, including organized labor, workforce professionals, education and training providers, and economic development leaders to develop workforce and education policies that support regional economic growth.

California will develop value-added partnerships that not only help achieve the policy goals of the partnership but also help partners achieve their organizational goals. A value-added partnership is one in which all partners gain from the relationships built through the organizing process.

Title I

The CWDB will continue to use WIOA statewide funds to support Local Board implementation of relevant regional sector initiatives and the WIOA Regional Plans.

Title II

The CDE will work with CWDB to identify forums such as conferences, meetings, and other opportunities to share joint information for the purpose of advising workforce providers, education practitioners, and policy-makers of services available to shared populations.

Title IV

The DOR will ensure that representatives from local district offices maintain regular participation on their Local Boards and within each of the 15 RPU for the purposes of developing workforce and education policies that support regional economic growth.

The DOR will work with CWDB to ensure resources for cross-training of frontline staff across the 15 RPUs, including the dissemination of CIE resources and information to Local Boards and participation in technical assistance calls with LPA partners.

CalFresh and CalWORKs

The CWDB and the CDSS will continue quarterly meetings of the Regional Workforce and Equity Partnership (RWEP). The group will explore expanding its membership to include the California Workforce Association, California Welfare Directors Association, as well as a variety of program areas within CDSS including: CalFresh Employment & Training, CalWORKs, Housing, In-Home Supportive Services, Child Care and Development, and the Office of Equity. Through the RWEP, the CWDB and CDSS will jointly develop and provide guidance on how to establish a baseline for

actionable, collaborative partnership activities between the various systems that are human-centered and outcome-oriented.

Career Technical Education

The CWDB will partner with CDE, SBE, and CCCO to utilize the community colleges regional and K-12 structures to encourage greater alignment of a local institutions with their local and regional workforce ecosystems, which includes all required state and federal programs.

Corrections Workforce Partnership

The Corrections Workforce Partnership will work with CWDB to create a closed-loop referral or communication process between Local Boards, RPUs, and CDCR to ensure the provision of employment services and supportive services to meet all of the individual's needs.

Child Support Services

The Department of Child Support Services (DCSS) and CWDB will meet on a quarterly basis to identify best practices and create technical assistance tools to help facilitate partnership between Local Boards and local child support agencies. These tools may include, but are not limited to, the issuance of a policy brief, creation of a best practices guide, and the development of an instructional webinar for the field.

Earn and Learn

This strategy includes using training and education best practices that combine applied learning opportunities with material compensation while facilitating skills development in the context of actual labor market participation.

California will prioritize earn and learn policies that facilitate skills attainment while also providing those participating in these programs with some form of compensated work experience, allowing them to "earn" income while they "learn" to do a job. Specifically, earn-and-learn opportunities will be prioritized for individuals who have barriers to employment and cannot afford to attend an education or training program full time, both because of costs associated with training and education fees and tuition and because time spent in the classroom reduces time that can be spent earning income.

In alignment with the Governor's goal to significantly increase apprenticeships, the CWDB and state partners commit to expanding access to apprenticeships and other paid work experiences for shared populations in the following ways:

- CWDB will continue to invest federal and state funds in the development of High Road Training Partnerships (HRTPs), High Road Construction Careers (HRCCs), and other initiatives that lead to the placement of participants in state approved pre-apprenticeships and apprenticeships.
- DOR will emphasize and support increased access to earn-and-learn opportunities for consumers, including students with disabilities, such as including on-the-job training, paid work experiences, internships, and apprenticeships in high demand industries. The DOR is working with the Department of Industrial Relations Division of Apprenticeship Standards to provide presentations to DOR districts on the benefits of apprenticeships and how DOR can help consumers obtain apprenticeships.
- DOR, CDE, and Department of Development Services (DDS) will continue to leverage funding to facilitate access to work experience opportunities for youth and adults with disabilities, including paid internship programs and state internship programs.

- The Corrections Workforce Partnership will work with the construction trades to facilitate direct placement into construction apprenticeship of previously trained justice involved individuals upon release.
- CalFresh and CalWORKS will explore training and potential apprenticeship opportunities for in demand Early Learning and Care positions.

Supportive Services

This strategy includes providing ancillary services like childcare, transportation, and counseling to facilitate program completion by those enrolled in training and education courses.

California will continue to expand access to funding for supportive services that enable an individual to participate in workforce-funded programs and activities to secure and retain employment. The type of supportive services provided will be dependent on each particular client's needs and background to the supports are person-centered.

Title II

CDE will work with CWDB to share information to local counterparts about available resources for school and program alternatives that provide students with the environment, curriculum, and support systems needed to ensure that they achieve their full academic potential.

Title IV

DOR will work with CWDB to ensure greater coordination in the provision of the support services for individuals with disabilities in order to increase the likelihood of successful outcomes. DOR will also work with CDE and DDS to provide technical assistance to LPA partners on provision of supportive services for individuals with intellectual and developmental disabilities. DOR will enhance access to ancillary services housed within DOR, such as Assistive Technology Act services, Independent Living, Traumatic Brain Injury, Mobility Evaluation Program, and benefits planning, and will partner with Independent Living Centers, Traumatic Brain Injury Sites, and America's Job Centers of California (AJCCs) to increase co-enrollment and identify the scope of need for these services for co-enrolled individuals with disabilities.

DOR will also inform business partners on hiring incentives and resources (e.g. Work Opportunity Tax Credit, Talent Acquisition Portal, Disability Awareness training, the Assistive Technology network, and DOR Business Based Services) to support businesses employing, supporting, retaining and promoting qualified talent with disabilities.

CalFresh and CalWORKS

The CDSS will provide the CWDB with training, education, and technical assistance around availability of support services, this may include programs and systems updates that can assist with eligibility verification, data sharing, and/or co-enrollment.

Creating Cross-System Data Capacity

This strategy includes using diagnostic labor market data to assess where to invest, and also, the use performance data to assess the value of those investments.

California will use diagnostic data to help steer investment to help ensure that programs align with labor market trends and needs by looking at patterns of job growth as well as aggregate education and training program output with respect to the number of degrees and certificates received and industry recognized credentials awarded. Performance data is intended to measure typical program outcomes for individuals receiving services while helping quantify skills attainment and degree and credential production.

The CWDB will continue to build upon the Cross-Systems Analytics and Assessment for Learning and Skills Attainment (CAAL-Skills) program in an effort to unite workforce system partners in a program that enables a holistic yet statistically rigorous assessment of California's workforce system. This will enable the evaluation of workforce programs individually and collectively at the regional level through the assessment of outcomes.

Integrated Service Delivery

This strategy includes braiding resources and coordinating services at the local level to meet client needs.

California will build upon existing and identify new methods for integrating service delivery and braiding resources in order to improve an individual's ability to access the broad array of services funded across the state's workforce and education programs. The expansion and creation of "value-added" partnerships at the state, regional, and local levels will serve as mechanisms to ensure that services are integrated and aligned across systems.

California is in the initial phase of piloting a statewide effort to electronically share common data elements and trigger referrals between CalJOBS℠, a data exchange, and other program partners. The intent of this effort is to assist job seekers by reducing the burden of providing the same common items to multiple agencies (if receiving services from multiple programs), streamline data collection for staff, and assist programs with identifying potentially eligible individuals.

Title III

The EDD will work with CWDB to conduct a business process improvement analysis of the following programs and services: Worker Adjustment Retraining Notification, WIOA Rapid Response, WIOA Additional Assistance, WIOA Layoff Aversion, National Dislocated Worker Grants, Re-Employment Services and Eligibility Assessment, Trade Adjustment Assistance, California Training Benefits, and WorkShare. As part of the analysis, staff from the respective programs will be identifying ways to incorporate elements the vision, objectives, and strategies of the State Plan into the operational practices of the programs.

Title IV

DOR will establish a Memorandum of Understanding (MOU) with CWDB, CDCR, and CALPIA centered on supporting the successful transition from prison to employment for individuals with disabilities. The DOR is currently working on a pilot project in partnership with the CDCR; pending the outcomes from the pilot, DOR and CDCR will draft and finalize the MOUT to support the successful transition from prison to employment for individuals with disabilities.

The DOR, CDE, and DDS will work with CWDB to achieve the performance measures outlined California's CIE Blueprint for individuals with developmental and intellectual disabilities. This includes inviting Local Boards to local CIE partnership agreement collaborations and identifying a CIE point of contact for Local Boards in each DOR district.

CalWORKS

The CDSS and the CWDB will meet, and when appropriate, develop a joint action plan to address changes to federal policy that may disproportionately impact underserved populations. State partners will communicate both jointly and individually with their local counterparts on the impact and opportunity to coordinate existing services and strategies to mitigate any negative impacts. This may include joint guidance or other agreed upon communication strategies.

Corrections Workforce Partnership

The Corrections Workforce Partnership will explore the creation of a pilot program where a dedicated staff member at the local level would serve as a formal liaison between the

corrections and workforce systems for individuals in the process of returning home. This would include aligning the training and certifications that individuals obtained pre-release through the correction system with the services and job opportunities that are provided post-release through the workforce system.

Department of Child Support Services

The DCSS and CWDB will work with EDD to expand the existing data sharing agreement that allows DCSS to access CalJOBS℠ data in order to facilitate referral tracking of parents' paying support who are enrolled in workforce programs.

Additional Information - Title II & Title IV

Title II

- The CDE will work with CWDB to identify forums such as conferences, meetings, and other opportunities to share joint information for the purpose of advising workforce providers, education practitioners, and policy-makers of services available to shared populations. Adult education programs at the local level work with employers at the local level to ensure they are developing programs that will meet the local need. Additionally, many programs in California meet the local workforce need by offering programs as the work location. An example of this is ESL classes being offered at a factory to help the employees improve English skills which could then improve their opportunities for advancement.

Title IV

- DOR works with employers to identify competitive integrated employment and career opportunities to facilitate the provision of VR services for DOR consumers. Some ways DOR works with businesses include:
- Engaging the workforce development system and the business community via effective outreach, relationship and partnership building.
- Maintaining regular DOR participation at each of the 14 Regional Planning Units and on each local workforce development board.
- Exploring and informing DOR counselors and consumers of local opportunities to obtain non-degree credentials, including certificates, industry certifications, apprenticeship certificates, and occupational licenses with CTE, workforce, and businesses to build an inclusive and skilled future workforce.
- Emphasizing and supporting increased earn-and-learn opportunities for consumers including on-the-job training, paid work experiences, internships, and apprenticeships with businesses.
- Identifying and providing early interventions to address potential employment barriers, such as providing work incentive planning support, workplace readiness training, self-advocacy training and work-based learning opportunities.
- Ensuring local level DOR leadership meets with local business leaders from identified in-demand sectors, as determined by their local Regional Planning Unit, to develop working partnerships or establish initiatives that support hiring and/or recruitment of individuals with disabilities.
- Accessing and utilizing labor market information to inform plans that help businesses meet their recruitment and talent needs.

- Informing business partners on hiring incentives and resources (e.g. Work Opportunity Tax Credit, Talent Acquisition Portal, Disability Awareness training, the Assistive Technology network, and CDOR Business Based Services) to support businesses employing, supporting, retaining and promoting qualified talent with disabilities.
- Working with the Council of State Administrators of Vocational Rehabilitation to assess the satisfaction of businesses with DOR's services.

E. PARTNER ENGAGEMENT WITH EDUCATIONAL INSTITUTIONS

As part of the State Plan development process, the CWDB facilitated nearly twenty separate coordination meetings with WIOA core, required, and strategic state partners in 2019. The meetings served as a working forum to discuss realistic, achievable, and concrete ways to jointly implement the vision, objectives, and strategies of the State Plan.

The meetings were used to establish partnership agreements that provided a roadmap for establishing and expanding partnership at the state, regional, and local levels. Each agreement was based off of the same foundational framework and includes goals associated with one or more of the State Plan's seven strategies to ensure ongoing alignment of the various.

Unfortunately, after the State Plan was submitted in March 2020, emergence of the COVID-19 pandemic uprooted everything. Due to the critical services that CWDB and many of our partner's deliver, most pre-pandemic State Plan partnership activities were placed on hold in order to focus on meeting the immediate needs of the millions of Californian's whose lives were severely impacted by the pandemic.

As part of the State Plan Modification process the CWDB held another set of coordination meetings with WIOA core, required, and strategic state partners in order to revisit and revise each partnership agreement in light of the last two years. Partners discussed the goals established in 2019 and decided whether to leave them the same, edit them, or replace them with new goals that the group felt were more appropriate in our current economic climate. Many of the goals outlined below will help to implement more than just one strategy, however, to avoid duplication, each goal was listed under the strategy with which it seemed to best align.

Sector Strategies

This strategy includes aligning workforce and education programs with leading and emergent industry sectors' skills needs. California will prioritize investments where overall economic returns for individuals with barriers to employment are likely to be highest, specifically in those sectors that generate significant gains in terms of jobs and income. It will also actively pursue ways to build capacity at the state level for coordination, outreach, convening, organizing, and support of industry sector partnerships.

Title I

The CWDB will continue to issue Local and Regional Planning guidance that requires Local Workforce Development Boards (Local Boards), organized into Regional Planning Units (RPUs), to work with industry and service providers in each region, to build industry sector partnerships and career pathways aligned with the partnerships.

Title II

The CDE will work with CWDB to support local workforce and adult education programs in their engagement with employers so that they develop programs that will meet the local need. This can include identifying new opportunities for providing adult education services at the

work location. For example, having an ESL class offered at a company or work site to help the employees improve English skills which could then improve their opportunities for advancement.

Title IV

The DOR will support employers with adherence to Section 503 of the Rehabilitation Act of 1973, which requires federal contractors to take affirmative action to recruit, hire, promote, and retain individuals with disabilities. DOR will establish and maintain a single point of contact for the America's Job Center of California (AJCC) business services staff and employers requesting assistance with Section 503 compliance to find and develop qualified talent, including individuals with disabilities. DOR will also ensure local leadership meets with local business leaders from identified in-demand sectors, as determined by their local RPU, to develop working partnerships or establish initiatives that support hiring and/or recruitment of individuals with disabilities.

The DOR will invite business partners and career education and training entities, as appropriate, to participate in at least 20 percent of the Competitive Integrated Employment (CIE) Local Partnership Agreements (LPA) between Local Education Agencies (LEAs), DOR districts, and regional centers to create engagement with local and regional business partners to increase utilization of job-driven training and other pathways to CIE for youth and adults with intellectual and developmental disabilities in both the public and private sectors.

CalFresh and CalWORKS

The California Department of Social Services (CDSS) and CWDB will engage in ongoing discussions around high-priority industry sectors. This includes potential education, apprenticeship/pre-apprenticeship, training, and recruitment for opportunities within the growing care economy, including the child care and in-home supportive service sectors, in alignment with current investments and anticipated growth over the next several years.

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Career Pathways

This strategy includes enabling of progressive skills development through education and training programs using multiple entry and exit points, so that each level of skills development corresponds with labor market gains for those being trained or educated.

California will utilize career pathways to facilitate incremental and progressive skills attainment over time, in clearly segmented blocks, such that those who move through the pathway obtain education or training services built on the foundation of prior learning efforts.

Title I

The CWDB will provide technical assistance to Local Boards on partnering with industry and training providers to utilize career pathways that provide participants a packaged set of skills with labor market value at each stage of the learning process.

Title II

The CDE will utilize the Integrated Education and Training model and partner with Local Boards to provide students with the literacy and skill development needed for high roads occupations.

Title IV

The DOR will establish or modify formal partnerships with Title I and Title II at the state and local level that are geared towards supporting career pathways for all individuals with disabilities, including those with behavioral health disabilities, students with disabilities, transition age foster youth with disabilities, individuals with intellectual and developmental disabilities, and justice involved individuals with disabilities. The DOR will update the template to use for the formal partnerships with the AJCC's and Adult Education Title II with strategies for supporting career pathways for those communities named above.

Career Technical Education

As joint administrators of the Perkin V program, CDE, State Board of Education (SBE), and California Community Colleges Chancellor's Office (CCCO) will work with CWDB to identify opportunities to advance career pathways at the local and regional level through implementation the State Plan for Career and Technical Education.

Regional Partnerships

This strategy includes building partnerships between industry leaders, including organized labor, workforce professionals, education and training providers, and economic development leaders to develop workforce and education policies that support regional economic growth.

California will develop value-added partnerships that not only help achieve the policy goals of the partnership but also help partners achieve their organizational goals. A value-added partnership is one in which all partners gain from the relationships built through the organizing process.

Title I

The CWDB will continue to use WIOA statewide funds to support Local Board implementation of relevant regional sector initiatives and the WIOA Regional Plans.

Title II

The CDE will work with CWDB to identify forums such as conferences, meetings, and other opportunities to share joint information for the purpose of advising workforce providers, education practitioners, and policy-makers of services available to shared populations.

Title IV

The DOR will ensure that representatives from local district offices maintain regular participation on their Local Boards and within each of the 15 RPU for the purposes of developing workforce and education policies that support regional economic growth.

The DOR will work with CWDB to ensure resources for cross-training of frontline staff across the 15 RPUs, including the dissemination of CIE resources and information to Local Boards and participation in technical assistance calls with LPA partners.

CalFresh and CalWORKs

The CWDB and the CDSS will continue quarterly meetings of the Regional Workforce and Equity Partnership (RWEP). The group will explore expanding its membership to include the California Workforce Association, California Welfare Directors Association, as well as a variety of program areas within CDSS including: CalFresh Employment & Training, CalWORKs, Housing, In-Home Supportive Services, Child Care and Development, and the Office of Equity. Through the RWEP, the CWDB and CDSS will jointly develop and provide guidance on how to establish a baseline for actionable, collaborative partnership activities between the various systems that are human-centered and outcome-oriented.

Career Technical Education

The CWDB will partner with CDE, SBE, and CCCO to utilize the community colleges regional and K-12 structures to encourage greater alignment of a local institutions with their local and regional workforce ecosystems, which includes all required state and federal programs.

Corrections Workforce Partnership

The Corrections Workforce Partnership will work with CWDB to create a closed-loop referral or communication process between Local Boards, RPUs, and CDCR to ensure the provision of employment services and supportive services to meet all of the individual's needs.

Child Support Services

The Department of Child Support Services (DCSS) and CWDB will meet on a quarterly basis to identify best practices and create technical assistance tools to help facilitate partnership between Local Boards and local child support agencies. These tools may include, but are not limited to, the issuance of a policy brief, creation of a best practices guide, and the development of an instructional webinar for the field.

Earn and Learn

This strategy includes using training and education best practices that combine applied learning opportunities with material compensation while facilitating skills development in the context of actual labor market participation.

California will prioritize earn and learn policies that facilitate skills attainment while also providing those participating in these programs with some form of compensated work experience, allowing them to "earn" income while they "learn" to do a job. Specifically, earn-and-learn opportunities will be prioritized for individuals who have barriers to employment and cannot afford to attend an education or training program full time, both because of costs associated with training and education fees and tuition and because time spent in the classroom reduces time that can be spent earning income.

In alignment with the Governor's goal to significantly increase apprenticeships, the CWDB and state partners commit to expanding access to apprenticeships and other paid work experiences for shared populations in the following ways:

- CWDB will continue to invest federal and state funds in the development of High Road Training Partnerships (HRTPs), High Road Construction Careers (HRCCs), and other initiatives that lead to the placement of participants in state approved pre-apprenticeships and apprenticeships.
- DOR will emphasize and support increased access to earn-and-learn opportunities for consumers, including students with disabilities, such as including on-the-job training, paid work experiences, internships, and apprenticeships in high demand industries. The DOR is working with the Department of Industrial Relations Division of Apprenticeship Standards to provide presentations to DOR districts on the benefits of apprenticeships and how DOR can help consumers obtain apprenticeships.
- DOR, CDE, and Department of Development Services (DDS) will continue to leverage funding to facilitate access to work experience opportunities for youth and adults with disabilities, including paid internship programs and state internship programs.
- The Corrections Workforce Partnership will work with the construction trades to facilitate direct placement into construction apprenticeship of previously trained justice involved individuals upon release.

- CalFresh and CalWORKS will explore training and potential apprenticeship opportunities for in demand Early Learning and Care positions.

Supportive Services

This strategy includes providing ancillary services like childcare, transportation, and counseling to facilitate program completion by those enrolled in training and education courses.

California will continue to expand access to funding for supportive services that enable an individual to participate in workforce-funded programs and activities to secure and retain employment. The type of supportive services provided will be dependent on each particular client's needs and background to the supports are person-centered.

Title II

CDE will work with CWDB to share information to local counterparts about available resources for school and program alternatives that provide students with the environment, curriculum, and support systems needed to ensure that they achieve their full academic potential.

Title IV

DOR will work with CWDB to ensure greater coordination in the provision of the support services for individuals with disabilities in order to increase the likelihood of successful outcomes. DOR will also work with CDE and DDS to provide technical assistance to LPA partners on provision of supportive services for individuals with intellectual and developmental disabilities. DOR will enhance access to ancillary services housed within DOR, such as Assistive Technology Act services, Independent Living, Traumatic Brain Injury, Mobility Evaluation Program, and benefits planning, and will partner with Independent Living Centers, Traumatic Brain Injury Sites, and America's Job Centers of California (AJCCs) to increase co-enrollment and identify the scope of need for these services for co-enrolled individuals with disabilities.

DOR will also inform business partners on hiring incentives and resources (e.g. Work Opportunity Tax Credit, Talent Acquisition Portal, Disability Awareness training, the Assistive Technology network, and DOR Business Based Services) to support businesses employing, supporting, retaining and promoting qualified talent with disabilities.

CalFresh and CalWORKS

The CDSS will provide the CWDB with training, education, and technical assistance around availability of support services, this may include programs and systems updates that can assist with eligibility verification, data sharing, and/or co-enrollment.

Creating Cross-System Data Capacity

This strategy includes using diagnostic labor market data to assess where to invest, and also, the use performance data to assess the value of those investments.

California will use diagnostic data to help steer investment to help ensure that programs align with labor market trends and needs by looking at patterns of job growth as well as aggregate education and training program output with respect to the number of degrees and certificates received and industry recognized credentials awarded. Performance data is intended to measure typical program outcomes for individuals receiving services while helping quantify skills attainment and degree and credential production.

The CWDB will continue to build upon the Cross-Systems Analytics and Assessment for Learning and Skills Attainment (CAAL-Skills) program in an effort to unite workforce system partners in a program that enables a holistic yet statistically rigorous assessment of California's

workforce system. This will enable the evaluation of workforce programs individually and collectively at the regional level through the assessment of outcomes.

Integrated Service Delivery

This strategy includes braiding resources and coordinating services at the local level to meet client needs.

California will build upon existing and identify new methods for integrating service delivery and braiding resources in order to improve an individual's ability to access the broad array of services funded across the state's workforce and education programs. The expansion and creation of "value-added" partnerships at the state, regional, and local levels will serve as mechanisms to ensure that services are integrated and aligned across systems.

California is in the initial phase of piloting a statewide effort to electronically share common data elements and trigger referrals between CalJOBS℠, a data exchange, and other program partners. The intent of this effort is to assist job seekers by reducing the burden of providing the same common items to multiple agencies (if receiving services from multiple programs), streamline data collection for staff, and assist programs with identifying potentially eligible individuals.

Title III

The EDD will work with CWDB to conduct a business process improvement analysis of the following programs and services: Worker Adjustment Retraining Notification, WIOA Rapid Response, WIOA Additional Assistance, WIOA Layoff Aversion, National Dislocated Worker Grants, Re-Employment Services and Eligibility Assessment, Trade Adjustment Assistance, California Training Benefits, and WorkShare. As part of the analysis, staff from the respective programs will be identifying ways to incorporate elements the vision, objectives, and strategies of the State Plan into the operational practices of the programs.

Title IV

DOR will establish a Memorandum of Understanding (MOU) with CWDB, CDCR, and CALPIA centered on supporting the successful transition from prison to employment for individuals with disabilities. The DOR is currently working on a pilot project in partnership with the CDCR; pending the outcomes from the pilot, DOR and CDCR will draft and finalize the MOUT to support the successful transition from prison to employment for individuals with disabilities.

The DOR, CDE, and DDS will work with CWDB to achieve the performance measures outlined California's CIE Blueprint for individuals with developmental and intellectual disabilities. This includes inviting Local Boards to local CIE partnership agreement collaborations and identifying a CIE point of contact for Local Boards in each DOR district.

CalWORKS

The CDSS and the CWDB will meet, and when appropriate, develop a joint action plan to address changes to federal policy that may disproportionately impact underserved populations. State partners will communicate both jointly and individually with their local counterparts on the impact and opportunity to coordinate existing services and strategies to mitigate any negative impacts. This may include joint guidance or other agreed upon communication strategies.

Corrections Workforce Partnership

The Corrections Workforce Partnership will explore the creation of a pilot program where a dedicated staff member at the local level would serve as a formal liaison between the corrections and workforce systems for individuals in the process of returning home. This would include aligning the training and certifications that individuals obtained pre-release through the

correction system with the services and job opportunities that are provided post-release through the workforce system.

Department of Child Support Services

The DCSS and CWDB will work with EDD to expand the existing data sharing agreement that allows DCSS to access CalJOBS℠ data in order to facilitate referral tracking of parents' paying support who are enrolled in workforce programs.

Additional Information

Title IV
When appropriate, DOR provides financial assistance to support individuals with disabilities in postsecondary education. As part of a consumer's Individualized Plan for Employment, DOR may provide vocational and other training services in an institution of higher education such as community colleges and vocational schools.

DOR administers WorkAbility III cooperative programs with California Community Colleges. The goal of the WorkAbility III is to assist community college students with disabilities to obtain competitive integrated employment. The VR services provided include vocational assessment, employment preparation, job development, placement, and job retention services.

DOR is also a partner in the College-to-Career (C2C) program. C2C is a partnership with select community colleges to serve individuals with intellectual disabilities and autism. C2C students must be DOR and Department of Developmental Services Regional Center consumers. The program provides employment preparation and soft skills training in addition to some instruction in independent living skills, and campus inclusion. C2C participants are expected to be included in these specialized services in addition to regular educational or vocational classes provided by the college. The goal of the program is for the C2C students to become employed in a competitive integrated community-based job.

Furthermore, DOR's Director serves on and participates in several committees to support consumers in the State's community colleges and career and technical education schools. The Director is a member of Interagency Advisory Committee on Apprenticeship, which provides advice and guidance to the Administrator of Apprenticeship and Chief of the Division of Apprenticeship Standards on apprenticeship programs, standards, and agreements that are not within the jurisdiction of the California Apprenticeship Council. The Director is also a participant of two additional committees: the California Workforce Pathways Joint Advisory Committee and the Perkins Joint Special Populations Advisory Committee. The Director was asked to participate in the Career Technical Education Resources Advisory Workgroup, hosted by California Workforce Pathways Joint Advisory Committee. The State Board of Education, the California Department of Education, and the California Community Colleges Chancellor's Office developed a State Plan for CTE, which will serve two distinct purposes: 1) as the guiding policy document for how all California CTE programs are administered throughout the state, and 2) ensure that California meets federal requirements in order to receive federal funding.

Regional Equity and Recovery Partnerships
In 2021, California approved $25 million in one-time General Fund for Regional Equity and Recovery Partnerships (RERP) between regional community college consortia and local workforce boards. This investment enables RPUs to create or expand industry-based and worker focused High Road Training Partnerships connected with community college programs with the goal of training 2,500 workers from disadvantaged communities for good quality jobs in target industry sectors that are projected for regional growth and/or significant job openings. An additional $10 million was made available for the California Community Colleges (CCCs) to participate in these efforts.

RERPs are industry-led, regional partnerships focused on a skills infrastructure that builds more robust and resilient regional economies. It builds on the regional plans developed by the 15 RPUs, and Strong Workforce Program Career and Technical Education plans developed by the Community College Regional Consortia. They start with quality jobs that are in-demand by employers in the region and, through partnerships with multiple employers, educators, and others in the workforce system, build pathways to those jobs. RERPs focus on equal access and prioritize equity by targeting populations that have not traditionally been provided opportunities for higher education and entry into jobs with career and income mobility.

F. PARTNER ENGAGEMENT WITH OTHER EDUCATION AND TRAINING PROVIDERS

California recognizes the critical role that education and training providers play in providing inclusive, equitable, and effective service delivery for individuals with significant barriers to employment. In cooperation with stakeholders, California adopted the following principles in state policy that outline how the state engages with providers on the eligible training provider list as partners in the workforce development system:

1. Simplicity – Avoid imposing burdens that would inhibit the participation of quality training providers.
2. Customer Focus – The policies and procedures must support the collection and presentation of easily accessible and reliable training program information for both individuals seeking career and occupational training information, and career planners who assist participants eligible for training services.
3. Informed Customer Choice – The Eligible Training Provider List includes locally approved training programs that lead to self-sustainable careers in the local/regional economy, as supported by current labor market information identifying industry sectors and occupational clusters that are high-growth, high-demand, projecting skills shortages, and/or vital to the regional economy.
4. Training Delivery Flexibility – Develop policies and procedures that foster and support the inclusion of various types training delivery that expand opportunities for customer choice.
5. Quality – Ensures a comprehensive list of quality training programs that meet the minimum performance standards and provide industry-valued skills in priority industry sectors. Information must be accurate, transparent, accessible, and user-friendly.
6. Respect for Local Autonomy – The policy should remain supportive of the autonomy that WIOA has otherwise granted to the Local Boards.

In addition to engagement with providers on the state Eligible Training Provider List (ETPL), California has invested a significant amount of federal and state funds into competitive grant programs that have either been awarded directly to, or required a strong partnership with, community based service providers. Examples of these types of programs that were funded out of WIOA Governor's discretionary funds are the Workforce Accelerator Fund (Accelerator) Program and English Language Learner Pathways to Career Program. Examples of these types of programs that were funded out of California general funds are the Prison to Employment Initiative (P2E) and the Breaking Barriers to Employment Initiative.

G. LEVERAGING RESOURCES TO INCREASE EDUCATIONAL ACCESS

As part of the State Plan development process, the CWDB facilitated nearly twenty separate coordination meetings with WIOA core, required, and strategic state partners in 2019. The meetings served as a working forum to discuss realistic, achievable, and concrete ways to jointly

implement the vision, objectives, and strategies of the State Plan.

The meetings were used to establish partnership agreements that provided a roadmap for establishing and expanding partnership at the state, regional, and local levels. Each agreement was based off of the same foundational framework and includes goals associated with one or more of the State Plan's seven strategies to ensure ongoing alignment of the various.

Unfortunately, after the State Plan was submitted in March 2020, emergence of the COVID-19 pandemic uprooted everything. Due to the critical services that CWDB and many of our partner's deliver, most pre-pandemic State Plan partnership activities were placed on hold in order to focus on meeting the immediate needs of the millions of Californian's whose lives were severely impacted by the pandemic.

As part of the State Plan Modification process the CWDB held another set of coordination meetings with WIOA core, required, and strategic state partners in order to revisit and revise each partnership agreement in light of the last two years. Partners discussed the goals established in 2019 and decided whether to leave them the same, edit them, or replace them with new goals that the group felt were more appropriate in our current economic climate. Many of the goals outlined below will help to implement more than just one strategy, however, to avoid duplication, each goal was listed under the strategy with which it seemed to best align.

Sector Strategies

This strategy includes aligning workforce and education programs with leading and emergent industry sectors' skills needs. California will prioritize investments where overall economic returns for individuals with barriers to employment are likely to be highest, specifically in those sectors that generate significant gains in terms of jobs and income. It will also actively pursue ways to build capacity at the state level for coordination, outreach, convening, organizing, and support of industry sector partnerships.

Title I

The CWDB will continue to issue Local and Regional Planning guidance that requires Local Workforce Development Boards (Local Boards), organized into Regional Planning Units (RPUs), to work with industry and service providers in each region, to build industry sector partnerships and career pathways aligned with the partnerships.

Title II

The CDE will work with CWDB to support local workforce and adult education programs in their engagement with employers so that they develop programs that will meet the local need. This can include identifying new opportunities for providing adult education services at the work location. For example, having an ESL class offered at a company or work site to help the employees improve English skills which could then improve their opportunities for advancement.

Title IV

The DOR will support employers with adherence to Section 503 of the Rehabilitation Act of 1973, which requires federal contractors to take affirmative action to recruit, hire, promote, and retain individuals with disabilities. DOR will establish and maintain a single point of contact for the America's Job Center of California (AJCC) business services staff and employers requesting assistance with Section 503 compliance to find and develop qualified talent, including individuals with disabilities. DOR will also ensure local leadership meets with local business leaders from identified in-demand sectors, as determined by their local RPU, to develop working partnerships or establish initiatives that support hiring and/or recruitment of individuals with disabilities.

The DOR will invite business partners and career education and training entities, as appropriate, to participate in at least 20 percent of the Competitive Integrated Employment (CIE) Local Partnership Agreements (LPA) between Local Education Agencies (LEAs), DOR districts, and regional centers to create engagement with local and regional business partners to increase utilization of job-driven training and other pathways to CIE for youth and adults with intellectual and developmental disabilities in both the public and private sectors.

CalFresh and CalWORKS

The California Department of Social Services (CDSS) and CWDB will engage in ongoing discussions around high-priority industry sectors. This includes potential education, apprenticeship/pre-apprenticeship, training, and recruitment for opportunities within the growing care economy, including the child care and in-home supportive service sectors, in alignment with current investments and anticipated growth over the next several years.

Corrections Workforce Partnership

The Corrections Workforce Partnership, comprised of California Department of Corrections and Rehabilitation (CDCR) and California Prison Industry Authority (CALPIA), and CWDB, will work to sustain and scale previously piloted in-facility state civil service examination events by increasing the number of facility locations and the number of state and local civil service hiring partners.

Career Pathways

This strategy includes enabling of progressive skills development through education and training programs using multiple entry and exit points, so that each level of skills development corresponds with labor market gains for those being trained or educated.

California will utilize career pathways to facilitate incremental and progressive skills attainment over time, in clearly segmented blocks, such that those who move through the pathway obtain education or training services built on the foundation of prior learning efforts.

Title I

The CWDB will provide technical assistance to Local Boards on partnering with industry and training providers to utilize career pathways that provide participants a packaged set of skills with labor market value at each stage of the learning process.

Title II

The CDE will utilize the Integrated Education and Training model and partner with Local Boards to provide students with the literacy and skill development needed for high roads occupations.

Title IV

The DOR will establish or modify formal partnerships with Title I and Title II at the state and local level that are geared towards supporting career pathways for all individuals with disabilities, including those with behavioral health disabilities, students with disabilities, transition age foster youth with disabilities, individuals with intellectual and developmental disabilities, and justice involved individuals with disabilities. The DOR will update the template to use for the formal partnerships with the AJCC's and Adult Education Title II with strategies for supporting career pathways for those communities named above.

Career Technical Education

As joint administrators of the Perkin V program, CDE, State Board of Education (SBE), and California Community Colleges Chancellor's Office (CCCO) will work with CWDB to identify

opportunities to advance career pathways at the local and regional level through implementation the State Plan for Career and Technical Education.

Regional Partnerships

This strategy includes building partnerships between industry leaders, including organized labor, workforce professionals, education and training providers, and economic development leaders to develop workforce and education policies that support regional economic growth.

California will develop value-added partnerships that not only help achieve the policy goals of the partnership but also help partners achieve their organizational goals. A value-added partnership is one in which all partners gain from the relationships built through the organizing process.

Title I

The CWDB will continue to use WIOA statewide funds to support Local Board implementation of relevant regional sector initiatives and the WIOA Regional Plans.

Title II

The CDE will work with CWDB to identify forums such as conferences, meetings, and other opportunities to share joint information for the purpose of advising workforce providers, education practitioners, and policy-makers of services available to shared populations.

Title IV

The DOR will ensure that representatives from local district offices maintain regular participation on their Local Boards and within each of the 15 RPU for the purposes of developing workforce and education policies that support regional economic growth.

The DOR will work with CWDB to ensure resources for cross-training of frontline staff across the 15 RPUs, including the dissemination of CIE resources and information to Local Boards and participation in technical assistance calls with LPA partners.

CalFresh and CalWORKs

The CWDB and the CDSS will continue quarterly meetings of the Regional Workforce and Equity Partnership (RWEP). The group will explore expanding its membership to include the California Workforce Association, California Welfare Directors Association, as well as a variety of program areas within CDSS including: CalFresh Employment & Training, CalWORKs, Housing, In-Home Supportive Services, Child Care and Development, and the Office of Equity. Through the RWEP, the CWDB and CDSS will jointly develop and provide guidance on how to establish a baseline for actionable, collaborative partnership activities between the various systems that are human-centered and outcome-oriented.

Career Technical Education

The CWDB will partner with CDE, SBE, and CCCO to utilize the community colleges regional and K-12 structures to encourage greater alignment of a local institutions with their local and regional workforce ecosystems, which includes all required state and federal programs.

Corrections Workforce Partnership

The Corrections Workforce Partnership will work with CWDB to create a closed-loop referral or communication process between Local Boards, RPUs, and CDCR to ensure the provision of employment services and supportive services to meet all of the individual's needs.

Child Support Services

The Department of Child Support Services (DCSS) and CWDB will meet on a quarterly basis to identify best practices and create technical assistance tools to help facilitate partnership between Local Boards and local child support agencies. These tools may include, but are not limited to, the issuance of a policy brief, creation of a best practices guide, and the development of an instructional webinar for the field.

Earn and Learn

This strategy includes using training and education best practices that combine applied learning opportunities with material compensation while facilitating skills development in the context of actual labor market participation.

California will prioritize earn and learn policies that facilitate skills attainment while also providing those participating in these programs with some form of compensated work experience, allowing them to "earn" income while they "learn" to do a job. Specifically, earn-and-learn opportunities will be prioritized for individuals who have barriers to employment and cannot afford to attend an education or training program full time, both because of costs associated with training and education fees and tuition and because time spent in the classroom reduces time that can be spent earning income.

In alignment with the Governor's goal to significantly increase apprenticeships, the CWDB and state partners commit to expanding access to apprenticeships and other paid work experiences for shared populations in the following ways:

- CWDB will continue to invest federal and state funds in the development of High Road Training Partnerships (HRTPs), High Road Construction Careers (HRCCs), and other initiatives that lead to the placement of participants in state approved pre-apprenticeships and apprenticeships.
- DOR will emphasize and support increased access to earn-and-learn opportunities for consumers, including students with disabilities, such as including on-the-job training, paid work experiences, internships, and apprenticeships in high demand industries. The DOR is working with the Department of Industrial Relations Division of Apprenticeship Standards to provide presentations to DOR districts on the benefits of apprenticeships and how DOR can help consumers obtain apprenticeships.
- DOR, CDE, and Department of Development Services (DDS) will continue to leverage funding to facilitate access to work experience opportunities for youth and adults with disabilities, including paid internship programs and state internship programs.
- The Corrections Workforce Partnership will work with the construction trades to facilitate direct placement into construction apprenticeship of previously trained justice involved individuals upon release.
- CalFresh and CalWORKS will explore training and potential apprenticeship opportunities for in demand Early Learning and Care positions.

Supportive Services

This strategy includes providing ancillary services like childcare, transportation, and counseling to facilitate program completion by those enrolled in training and education courses.

California will continue to expand access to funding for supportive services that enable an individual to participate in workforce-funded programs and activities to secure and retain employment. The type of supportive services provided will be dependent on each particular client's needs and background to the supports are person-centered.

Title II

CDE will work with CWDB to share information to local counterparts about available resources for school and program alternatives that provide students with the environment, curriculum, and support systems needed to ensure that they achieve their full academic potential.

Title IV

DOR will work with CWDB to ensure greater coordination in the provision of the support services for individuals with disabilities in order to increase the likelihood of successful outcomes. DOR will also work with CDE and DDS to provide technical assistance to LPA partners on provision of supportive services for individuals with intellectual and developmental disabilities. DOR will enhance access to ancillary services housed within DOR, such as Assistive Technology Act services, Independent Living, Traumatic Brain Injury, Mobility Evaluation Program, and benefits planning, and will partner with Independent Living Centers, Traumatic Brain Injury Sites, and America's Job Centers of California (AJCCs) to increase co-enrollment and identify the scope of need for these services for co-enrolled individuals with disabilities.

DOR will also inform business partners on hiring incentives and resources (e.g. Work Opportunity Tax Credit, Talent Acquisition Portal, Disability Awareness training, the Assistive Technology network, and DOR Business Based Services) to support businesses employing, supporting, retaining and promoting qualified talent with disabilities.

CalFresh and CalWORKS

The CDSS will provide the CWDB with training, education, and technical assistance around availability of support services, this may include programs and systems updates that can assist with eligibility verification, data sharing, and/or co-enrollment.

Creating Cross-System Data Capacity

This strategy includes using diagnostic labor market data to assess where to invest, and also, the use performance data to assess the value of those investments.

California will use diagnostic data to help steer investment to help ensure that programs align with labor market trends and needs by looking at patterns of job growth as well as aggregate education and training program output with respect to the number of degrees and certificates received and industry recognized credentials awarded. Performance data is intended to measure typical program outcomes for individuals receiving services while helping quantify skills attainment and degree and credential production.

The CWDB will continue to build upon the Cross-Systems Analytics and Assessment for Learning and Skills Attainment (CAAL-Skills) program in an effort to unite workforce system partners in a program that enables a holistic yet statistically rigorous assessment of California's workforce system. This will enable the evaluation of workforce programs individually and collectively at the regional level through the assessment of outcomes.

Integrated Service Delivery

This strategy includes braiding resources and coordinating services at the local level to meet client needs.

California will build upon existing and identify new methods for integrating service delivery and braiding resources in order to improve an individual's ability to access the broad array of services funded across the state's workforce and education programs. The expansion and creation of "value-added" partnerships at the state, regional, and local levels will serve as mechanisms to ensure that services are integrated and aligned across systems.

California is in the initial phase of piloting a statewide effort to electronically share common data elements and trigger referrals between CalJOBS℠, a data exchange, and other program partners. The intent of this effort is to assist job seekers by reducing the burden of providing the

same common items to multiple agencies (if receiving services from multiple programs), streamline data collection for staff, and assist programs with identifying potentially eligible individuals.

Title III

The EDD will work with CWDB to conduct a business process improvement analysis of the following programs and services: Worker Adjustment Retraining Notification, WIOA Rapid Response, WIOA Additional Assistance, WIOA Layoff Aversion, National Dislocated Worker Grants, Re-Employment Services and Eligibility Assessment, Trade Adjustment Assistance, California Training Benefits, and WorkShare. As part of the analysis, staff from the respective programs will be identifying ways to incorporate elements the vision, objectives, and strategies of the State Plan into the operational practices of the programs.

Title IV

DOR will establish a Memorandum of Understanding (MOU) with CWDB, CDCR, and CALPIA centered on supporting the successful transition from prison to employment for individuals with disabilities. The DOR is currently working on a pilot project in partnership with the CDCR; pending the outcomes from the pilot, DOR and CDCR will draft and finalize the MOUT to support the successful transition from prison to employment for individuals with disabilities.

The DOR, CDE, and DDS will work with CWDB to achieve the performance measures outlined California's CIE Blueprint for individuals with developmental and intellectual disabilities. This includes inviting Local Boards to local CIE partnership agreement collaborations and identifying a CIE point of contact for Local Boards in each DOR district.

CalWORKS

The CDSS and the CWDB will meet, and when appropriate, develop a joint action plan to address changes to federal policy that may disproportionately impact underserved populations. State partners will communicate both jointly and individually with their local counterparts on the impact and opportunity to coordinate existing services and strategies to mitigate any negative impacts. This may include joint guidance or other agreed upon communication strategies.

Corrections Workforce Partnership

The Corrections Workforce Partnership will explore the creation of a pilot program where a dedicated staff member at the local level would serve as a formal liaison between the corrections and workforce systems for individuals in the process of returning home. This would include aligning the training and certifications that individuals obtained pre-release through the correction system with the services and job opportunities that are provided post-release through the workforce system.

Department of Child Support Services

The DCSS and CWDB will work with EDD to expand the existing data sharing agreement that allows DCSS to access CalJOBS℠ data in order to facilitate referral tracking of parents' paying support who are enrolled in workforce programs.

Additional Information - Title IV

DOR is focused on long-term career attainment based on an individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice. All DOR consumers have the availability to access education, including advanced degrees and credentials, based on their employment goal.

To increase educational access for consumers, DOR will inform its counselors and consumers of local opportunities to obtain non-degree credentials, including certificates, industry

certifications, apprenticeship certificates, and occupational licenses with Career Technical Education, workforce, and businesses to build an inclusive and skilled future workforce. DOR will also emphasize and support increased earn-and-learn opportunities for consumers including on-the-job training (OJT), paid work experiences, internships, and apprenticeships with businesses.

H. IMPROVING ACCESS TO POSTSECONDARY CREDENTIALS

California believes that helping people obtain meaningful credentials can further regional prosperity and economic mobility. Many of California's initiatives focus on quality credentials, both by helping organizations to identify them and workers to earn them. The state needs all kinds of post-secondary credentials to be economically competitive, and to provide opportunities for the broadest possible array of Californians. The CWDB broadly defines these credentials as sub-baccalaureate credentials with demonstrable labor market value, including industry-recognized certificates, or certifications, or certificates of completion of apprenticeship, or professional licenses, recognized by California or the federal government. They also include industry-valued associate degrees that facilitate movement into either the labor market or longer-term educational programs aligned with the state's workforce needs.

California's strategy for improving credential attainment throughout the state is to require the RPUs to include "industry-valued post-secondary credential attainment" in the Regional Plans required by WIOA. Working with their planning partners, Local Boards are required to identify, develop, prioritize, service, and feed "regional sector pathway" programs in their RPUs. These programs should result in the attainment of industry-valued and recognized post-secondary credentials that are portable and aligned with regional workforce needs.

Additionally, working with their planning partners, Local Boards are required to improve access to activities leading to a recognized post-secondary credential, including a credential that is an industry-recognized certification that is portable and stackable. Quality credential programs are those that are:

- Accessible – Affordable and readily available at places and times convenient for working adults.
- Transparent – Clearly articulate costs and prerequisites and provide an accurate picture of what skills, knowledge and abilities are benchmarked by a given credential, as well as the value it carries in the labor market.
- Stackable – Operates as one of multiple manageable chunks that add up to a more substantial credential and do not require starting over at each new step.
- Portable – Transferable between organizations, regions, and educational institutions.
- Meaningful – Provides true value in the labor market.
- Connected – Is linked to a job or an educational pathway.

California plans to identify ways to track and evaluate how many industry recognized credentials are being produced in each of the 15 RPUs and how these credentials relate to regional labor market needs, as well as regional sector priorities outlined in the Regional Plans.

In addition, DOR will inform its counselors and consumers of local opportunities to obtain non-degree credentials, including certificates, industry certifications, apprenticeship certificates, and occupational licenses with Career Technical Education, workforce, and businesses to build an inclusive and skilled future workforce. DOR will also emphasize and support increased earn-and-learn opportunities for consumers including on-the-job training, paid work experiences, internships, and apprenticeships with businesses.

I. COORDINATING WITH ECONOMIC DEVELOPMENT STRATEGIES

Future of Work Commission

California leads the nation in economic growth driven by responsible policy, research, innovation, and investment. While sectors of work are growing and transitioning, bringing ample opportunities for the development of good jobs, California needs a skilled workforce to fill these positions. The leadership from CWDB and the Governor's Office of Business and Economic Development (GO-Biz) meet on a regular basis to ensure California is developing clear economic and workforce development policy that identifies key growth industries, as well as promotes high-quality employment and economic security for workers, families, and communities.

In 2019, California's Governor Gavin Newsom established a Future of Work Commission through issuance of Executive Order N-17-19 that was composed of leaders from technology, labor, business, education, and venture capital, amongst others. The Commission was jointly led by the Director of GO-Biz and the Secretary of Labor and Workforce Development in order to establish a meaningful and ongoing link between the workforce and economic development systems. The Commission was charged with looking at California's current state of jobs and work, what factors have created these conditions, the vision for work and jobs in the future, and how we can chart a path to reach that vision. The Commission was also tasked with making recommendations to help California leaders think through how to create inclusive, long-term economic growth, and ensure workers and their families share in that success.

In March of 2021, after 18 months of data collection, the Commission published its report, "A New Social Compact for Work and Workers", which details and demonstrates their findings after meeting and listening to workers, employers, and researchers, amongst others. The Commission found that there are many challenges facing work and workers today, and many more in the future if these challenges are not addressed. In order to address these challenges and fully capture the opportunities that lie ahead, the Commission proposed a bold new Social Compact for work and workers in California, with five recommendations. For each priority, the Commission's report outlined a measurable moonshot goal for California to achieve by 2030, the actions required to make progress towards that goal, and an initial set of proposed initiatives to be further developed and adopted by a variety of stakeholders. The five recommendations for a new Social Compact are:

1. Ensure there are jobs for everyone who wants to work.
2. Eliminate working poverty.
3. Create a 21st century worker benefits model and safety net.
4. Raise the standard and share of quality jobs.
5. Future-proof California with jobs and skills to prepare for technology, climate, and other shocks.

WIOA Core Program Coordination

At the state level, WIOA core program partners are also involved in a number of economic development initiatives to help ensure that any new investments create or support high-quality, accessible jobs for a variety of target populations, especially those disproportionally impact by the COVD-19 pandemic.

The CWDB's High Road Climate Action Partnerships team is involved in several economic development projects focused on environmental improvement and/or climate change mitigation in. These initiatives include:

- Development of the state's first-ever Just Transition Roadmap which would be applicable economy-wide.
- Development of a lithium production industry in the Imperial Valley region of southeastern California.
- Development of an offshore wind energy industry.
- Development of various industries related to supporting the state's bold zero-emission vehicle (ZEV) goals.
- Development of the supply chain are part of the lithium and offshore wind energy initiatives, such as using lithium extracted in California for the in-state production of lithium-ion batteries and end-of-life battery recycling as well as the construction of concrete floating platforms for offshore wind power generation.

The EDD Workforce Services Branch received $600 million dollars in state funding to administer a Community Economic Resilience Funds in partnership with the Labor and Workforce Development Agency, Governor's Office of Planning and Research, and GO-Biz. The Community Economic Resilience Funds will provide financial support to regional stakeholder collaborative to plan and implement region- and industry-specific economic transition strategies, with a specific focus on supporting high road jobs. These collaboratives will be supported by and linked directly to community capacity building programs, ensuring broad participation in planning and decision-making. The hope is that by bringing communities together through an inclusive process, these collaboratives will produce a roadmap for economic growth that prioritizes the creation of accessible, high-quality jobs in sustainable industries. These include, but are not limited to, jobs in "advanced energy" industries such as renewable energy, zero-emission vehicles, or energy efficiency; in future-looking industries such as carbon removal, advanced manufacturing and agriculture, climate restoration and resilience; and a wide range of other industries critical to the state's long-term economic growth.

The DOR also coordinates economic development strategies centered on people with disabilities such as:

- Identifying workforce trends by applying labor market information and establish partnerships with businesses, career technical education and apprenticeship programs, and other resources and supports to prepare individuals with disabilities for employment.
- Partnering with local education agencies, post-secondary education and training programs, state and county-level programs and services, and community-based organizations to facilitate and develop wraparound supports that can help consumers maintain successful employment.
- Meeting with local business leaders from identified in-demand sectors, as determined by their local RPUs, to develop working partnerships or establish initiatives that support hiring and/or recruitment of individuals with disabilities.
- Accessing and utilizing labor market information including, but not limited to, CalJOBS, World of Work Inventory, The Career Index Plus, Career Zone, and Careerinfo.net, to inform plans that help businesses meet their recruitment and talent needs.

B. STATE OPERATING SYSTEMS AND POLICIES

Labor Market Information System

The EDD's Labor Market Information Division (LMID) is the prime source of high quality and timely economic and workforce information in California. The LMID collects, analyzes, and publishes labor market data from a diverse state economy with more than 1.4 million employers and a civilian labor force of more than 19 million individuals.

Types of Labor Market Information available include:

- Unemployment rates, labor force, and industry employment by geography for California, metropolitan areas, counties, and sub-county areas.
- Detailed occupational information on California wages, employment outlook, educational and licensing requirements, and staffing patterns.
- Projections of employment for occupations and industries by geographic area.
- Labor force and unemployment rate interactive maps for counties and major cities by population size.
- Geographic information system maps and reports displaying labor market relationships, patterns, and trends.
- Dynamic economic indicator visualizations that provide up-to-date data and trends on the state and local labor markets.
- Veteran's employment statistics including labor force trends, unemployment rates, and other key statistics for the state.
- Customized reports, data runs, technical assistance, training, and geographic analyses and maps.
- Historical civilian employment and unemployment data.
- Current statewide and county population data by race/ethnicity, income, gender, and more.
- Interactive Labor Market Supply and Demand Tool broken down by RPU.

Current uses of Labor Market Information include:

- Business and financial forecasting.
- Economic development and human resource planning.
- Monitoring labor force, industry, and economic trends.
- Planning and development of training programs.
- Career exploration, employer look up, and job search links.
- Geographic planning for industry and business expansion.
- Local labor market research.
- Occupational skills and qualifications identification.

Job Bank

The CalJOBSSM system is California's online resource to help job seekers and employers navigate the state's workforce services. The system allows users to easily search for jobs, build resumes, access career resources, find qualified candidates, and gather information on

education and training programs. Most unemployment insurance customers are required to register for a CalJOBS℠ account, and post a resume.

The system enables job seekers to:

- Create and upload multiple versions of their resume tailored to specific jobs or careers paths.
- Customize and conduct job searches.
- Set up alerts for job openings.
- Apply for job openings.
- Research employers.
- Make customized resumes viewable to employers.
- Use a mobile application available on the Apple App Store or Google Play.

The system enables employers to:

- Post job openings.
- Browse resumes.
- Keep their candidate search organized.
- Expand their search to find qualified candidates for their companies.

Case Management, Data Collection, and Reporting Systems

Title I and Title III

In addition to its job bank and labor exchange roles, CalJOBS℠ provides a unified and streamlined intake and case management system that enables co-enrollment across programs, while reducing the duplication of services provided to AJCC clients. The system currently serves as California's case management system for the following programs:

- Title I Adult
- Title I Dislocated Worker
- Title I Youth
- Title III Wagner-Peyser
- Jobs for Veterans State Grant
- Trade Adjustment Assistance
- National Dislocated Worker Grant
- National Farmworker Jobs Program

CalJOBS℠ also houses California's ETPL, which supports customer-focused employment training for adults and dislocated workers. Individuals interested in training opportunities can search the California ETPL through the link available on the CalJOBS℠ homepage.

Additionally, the CalJOBS℠ system serves as the official system of record for federally required data for the following programs:

- Title I Adult

- Title I Dislocated Worker
- Title I Youth
- Title III Wagner-Peyser
- Jobs for Veterans State Grant
- Trade Adjustment Assistance
- National Dislocated Worker Grant

Title II

The CDE Adult Education Office (AEO) provides assessment and accountability services for the Title II program through TOPSpro Enterprise. TOPSpro Enterprise is a database designed to accurately measure progress, mastery of skills, and competencies needed to both complete, and advance one or more Educational Functioning Levels (EFL). It automates scoring, collects student demographic data, tracks agency and individual student performance, generates reports, and aggregates data for state and federal year-end reports.

Features of the data system and relevant processes include the following:

- TOPSpro Enterprise is used to collect and report all student progress and outcome measures, and for collecting information for federal and state annual reporting.
- The system provides student, class, and program reports that enable local providers to have immediate access to the data for targeting instruction for continuous program improvement.
- The local data is submitted quarterly and annually to the CDE for monitoring and aggregation into state and federal reports.
- TOPSpro Enterprise records each student's goals on entering a class, as well as their educational outcomes.
- Assessment may be formal (e.g., a written test), or informal (e.g., teacher observation of student performance through a check competencies mastered).

The data collected consists of measurable skill gains in the following programs areas: English Language Acquisition (ELA), Adult Secondary Education (ASE), and Adult Basic Education (ABE). The data collection process begins with program staff at agencies funded by the Adult Education Family Literacy Act (AEFLA) inputting the data on a daily basis at each site during the program year. Each week the data collected from AEFLA funded agencies is aggregated at a statewide level. The annual data aggregation and data validation begins August 1st of each year. The purpose of the annual data aggregation and validation process is to compile state and federal year-end reports due annually, by October 1st.

Performance measures include all elements in the federal National Reporting System (NRS) reports, including enrollment, attendance hours, completion and advancement of one or more levels, separation before completion, and persistence within a level, attainment of a secondary school diploma or its recognized equivalent, and job placement or retention, and transition into postsecondary education or training.

The CDE also conducts an annual comprehensive qualitative program survey. This survey is required of all participating agencies and involves practitioner focus groups and interviews of both teachers and students. The results provide recommendations for state level planning and development activities, identifies best practices and emerging needs, and helps focus

professional development and training to ensure effective instructional programs for targeted populations.

Title IV

The DOR utilizes a case management system known as the Accessible Web-Based Activity Reporting Environment (AWARE). In addition to WIOA data reporting, the AWARE system has a financial component utilized for federal reporting requirements. The system contains consumer data, case notes, and information regarding goods/services for consumers.

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The RSA assesses the quality, and effectiveness of DOR outcome-related information in relation to the State performance accountability measures described in WIOA Section 116(b), and coordinates guidance and technical assistance to the department to initiate and monitor program improvements. The DOR also uses the information from the quarterly and annual reports internally to self-assess performance and develop strategic initiatives.

1. THE STATE OPERATING SYSTEMS THAT WILL SUPPORT THE IMPLEMENTATION OF THE STATE'S STRATEGIES. THIS MUST INCLUDE A DESCRIPTION OF–

Labor Market Information System

The EDD's Labor Market Information Division (LMID) is the prime source of high quality and timely economic and workforce information in California. The LMID collects, analyzes, and publishes labor market data from a diverse state economy with more than 1.4 million employers and a civilian labor force of more than 19 million individuals.

Types of Labor Market Information available include:

- Unemployment rates, labor force, and industry employment by geography for California, metropolitan areas, counties, and sub-county areas.
- Detailed occupational information on California wages, employment outlook, educational and licensing requirements, and staffing patterns.
- Projections of employment for occupations and industries by geographic area.
- Labor force and unemployment rate interactive maps for counties and major cities by population size.

- Geographic information system maps and reports displaying labor market relationships, patterns, and trends.
- Dynamic economic indicator visualizations that provide up-to-date data and trends on the state and local labor markets.
- Veteran's employment statistics including labor force trends, unemployment rates, and other key statistics for the state.
- Customized reports, data runs, technical assistance, training, and geographic analyses and maps.
- Historical civilian employment and unemployment data.
- Current statewide and county population data by race/ethnicity, income, gender, and more.
- Interactive Labor Market Supply and Demand Tool broken down by RPU.

Current uses of Labor Market Information include:

- Business and financial forecasting.
- Economic development and human resource planning.
- Monitoring labor force, industry, and economic trends.
- Planning and development of training programs.
- Career exploration, employer look up, and job search links.
- Geographic planning for industry and business expansion.
- Local labor market research.
- Occupational skills and qualifications identification.

Job Bank

The CalJOBSSM system is California's online resource to help job seekers and employers navigate the state's workforce services. The system allows users to easily search for jobs, build resumes, access career resources, find qualified candidates, and gather information on education and training programs. Most unemployment insurance customers are required to register for a CalJOBS℠ account, and post a resume.

The system enables job seekers to:

- Create and upload multiple versions of their resume tailored to specific jobs or careers paths.
- Customize and conduct job searches.
- Set up alerts for job openings.
- Apply for job openings.
- Research employers.
- Make customized resumes viewable to employers.
- Use a mobile application available on the Apple App Store or Google Play.

The system enables employers to:

- Post job openings.
- Browse resumes.
- Keep their candidate search organized.
- Expand their search to find qualified candidates for their companies.

Case Management, Data Collection, and Reporting Systems

Title I and Title III

In addition to its job bank and labor exchange roles, CalJOBS℠ provides a unified and streamlined intake and case management system that enables co-enrollment across programs, while reducing the duplication of services provided to AJCC clients. The system currently serves as California's case management system for the following programs:

- Title I Adult
- Title I Dislocated Worker
- Title I Youth
- Title III Wagner-Peyser
- Jobs for Veterans State Grant
- Trade Adjustment Assistance
- National Dislocated Worker Grant
- National Farmworker Jobs Program

CalJOBS℠ also houses California's ETPL, which supports customer-focused employment training for adults and dislocated workers. Individuals interested in training opportunities can search the California ETPL through the link available on the CalJOBS℠ homepage.

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Title II

The CDE Adult Education Office (AEO) provides assessment and accountability services for the Title II program through TOPSpro Enterprise. TOPSpro Enterprise is a database designed to accurately measure progress, mastery of skills, and competencies needed to both complete, and advance one or more Educational Functioning Levels (EFL). It automates scoring, collects

student demographic data, tracks agency and individual student performance, generates reports, and aggregates data for state and federal year-end reports.

Features of the data system and relevant processes include the following:

- TOPSpro Enterprise is used to collect and report all student progress and outcome measures, and for collecting information for federal and state annual reporting.
- The system provides student, class, and program reports that enable local providers to have immediate access to the data for targeting instruction for continuous program improvement.
- The local data is submitted quarterly and annually to the CDE for monitoring and aggregation into state and federal reports.
- TOPSpro Enterprise records each student's goals on entering a class, as well as their educational outcomes.
- Assessment may be formal (e.g., a written test), or informal (e.g., teacher observation of student performance through a check competencies mastered).

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2. THE STATE POLICIES THAT WILL SUPPORT THE IMPLEMENTATION OF THE STATE'S STRATEGIES (E.G., CO-ENROLLMENT POLICIES AND UNIVERSAL INTAKE PROCESSES WHERE APPROPRIATE). IN ADDITION, PROVIDE THE STATE'S GUIDELINES FOR STATE-ADMINISTERED ONE-STOP PARTNER PROGRAMS' CONTRIBUTIONS TO A ONE-STOP DELIVERY SYSTEM

Co-Enrollment and Common Intake

As outlined in, Workforce Services Directive WSD19-09, California encourages planning across multiple partner programs to ensure alignment in service delivery and leveraging of resources for maximum benefit to WIOA participants. Co-enrollment is a means to establish effective partnerships across WIOA core programs and other workforce providers, including community-based organizations to provide a mix of services to individuals to meet their employment, education, and training needs.

A statewide co-enrollment workgroup comprised of WIOA core partners, strategic State Plan partners, and regional and local service providers was established to develop strategies to improve alignment for intake, referral, and case management across programs. One of the strategies identified included gathering and assessing various partner programs' intake forms and other sample forms to identify common data elements. The intent was to work jointly to identify the common elements to create tools that would assist WIOA program participants by: streamlining service delivery; maximizing the benefit of multiple support systems; and curbing redundant administrative processes. Partners established a common understanding that in order to advance a whole-person approach to service delivery, it was important to take stock of each respective partners' internal processes. Following an assessment of dozens of program intake forms, a sample document was created by Hanover Research identifying the most common data elements across all sample forms. The co-enrollment workgroup adopted this document as the starting point for developing a statewide workforce common intake form.

As a product of the co-enrollment workgroup, the CalASSIST project has been created; CalASSIST promotes a no wrong door policy through the creation of a data exchange platform that creates a bridge between the partner programs' unique data systems. CalASSIST transfers common intake information (approximately 30 data elements) collected from program participants, and automatically generates referrals to other partner programs the individual may be eligible for. The key features of CalASSIST includes:

- Simplify Intake: Enables the individuals to provide 30+ common data elements once for all partner programs.
- Automated Referrals and Collaboration: Referral records are automatically sent to partners with the ability for real-time status updates and collaboration.
- Real-Time Analytics: Common intake and referral data across all programs is captured and can be reported on.

Phase 1 of the CalASSIST project has started, with the funneling of data from CalJOBS℠ to CalASSIST. Once in CalASSIST, the data will be available for the partner programs, and the platform will generate referrals to the appropriate partner programs.

Memorandum of Understanding Cost Sharing

As outlined in Workforce Services Directive WSD18-12, each AJCC partner that carries out a program or activities within the AJCC must use a portion of their funds to help maintain the AJCC delivery system which includes contributing a proportionate payment of the AJCC infrastructure costs. Local Boards and their AJCC partners must establish Infrastructure Funding Agreements (IFA) as a vehicle for determining the amount each partner owes. When determining each partner's proportionate share, Local Boards are required to remain in

compliance with the federal statute that authorizes each partner's program as well as Title 2 Code of Federal Regulations (CFR) Part 200 which outline the uniform administrative requirements, cost principles, and audit requirements for federal awards.

Establishing IFAs

In order to best meet the needs of the Local Workforce Development Area (Local Area), California provides flexibility to Local Boards and their partners on whether they want to use individual IFAs, a network IFA, or a combination of individual and network IFAs. Developing a combined budget based on a network of AJCCs may make financing infrastructure costs among partners easier since it does not require each partner to contribute to each individual AJCC, so long as each partner's total contribution is still equal to their overall proportionate share of all the AJCCs in the Local Area. However, combining budgets cannot change the distribution of costs in any way, costs must be still attributable to each partner equally, and in accordance with the agreed upon cost sharing methodology.

The Local Board and partners can start the IFA negotiations by determining the budget for every AJCC within the Local Area. This will allow all partners to see where, and what kind of money is being spent throughout the Local Area. The IFA budget includes, but is not limited to, all non-personnel costs that are necessary for the physical operation of the AJCC such as: rent, utilities and maintenance, equipment, technology, and non-marketing common identifier expenses. In addition, every AJCC infrastructure budget must also have an "Access and Accommodation" line item for ensuring physical and programmatic access to the AJCC by individuals with disabilities. The budgets must contain descriptions of the specific costs grouped under each line item. Local Boards may consolidate and/or break out line items as best fits with their individual area budgets and cost allocation methodology.

Determining Benefit Received by Partners

Local Boards must first determine whether an AJCC partner is receiving benefit from the AJCC or system. If a benefit is received, the AJCC partner's proportionate share of infrastructure costs must be calculated in accordance with Title 2 CFR Part 200 and based on a reasonable cost allocation methodology. All costs must be allowable, reasonable, necessary, and allocable as required by WIOA Joint Final Rule Section 678.715.

Partners who are physically collocated in the AJCC(s), whether full-time or part-time, are considered to receive a direct benefit that is allocable; therefore, they must contribute their proportionate share towards the infrastructure costs. Partners who are not physically collocated in the AJCC may also be receiving benefit from the AJCC system. However, that benefit must be clearly identified and allocable by way of reliable data and a cost methodology that demonstrates the partner's usage of and benefit from the center and its services.

Cost Allocation Methodology

After creating an IFA for each individual AJCC or for the local network of AJCCs, and determining if benefit is received by each partner, the Local Board must select a cost allocation methodology to identify the proportionate share of infrastructure costs each partner will be expected to contribute. Any cost allocation methodology selected must adhere to the following:

- Be consistent with the federal laws authorizing each partner's program (including any local administrative cost requirements).
- Comply with federal cost principles in the Title 2 CFR Part 200.
- Include only costs that are allowable, reasonable, necessary, and allocable to each program partner.
- Be based on the proportionate use and benefit received by each partner.

Other One-Stop Delivery System Costs

In addition to jointly funding infrastructure costs, AJCC partners must use a portion of funds made available under their authorizing federal statute (or fairly evaluated in-kind contributions) to pay the additional costs relating to the operation of the One-Stop delivery system. These costs may be shared through cash, non-cash, or third-party in-kind contributions as outlined in WIOA Joint Rule Section 678.760. All comprehensive, affiliate, and specialized AJCCs must include another system costs budget as part of their MOU. The other system costs budget must include applicable career services, and may include any other shared services that are authorized for and commonly provided through the AJCC partner programs to any individual, such as initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, referrals to other partners, and business services. Shared operating costs may also include shared costs related to the Local Board's functions.

Establishing Other System Costs Budgets

The other system costs budget must be a consolidated budget that includes a line item for applicable career services. The MOU requires identifying the career services that were applicable to each partner program. Accordingly, this budget must include each of the partner's costs for the service delivery of each applicable career service and a consolidated system budget for career services applicable to more than one partner.

The budget may also include shared services, which have been agreed upon by all partners, which are authorized for and may be commonly provided through the One-Stop system. Examples of these types of services include, but are not limited to, the following:

- Initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, and referrals to other AJCC partners. This may include costs such as technology and tools that increase integrated service delivery through the sharing of information and service delivery processes.
- Business services. This may include costs related to a local or regional system business services team that has one or more partners on the team or has delegated a specific partner to provide business services on behalf of the system.
- AJCC partner staff cross training. This may include any staff cross training on partner programs and eligibility identified in the shared services and/or shared customers portion of the MOU.
- One-Stop operator. This may include the system role of the One-Stop operator (e.g., coordinating service providers across the One-Stop delivery system) when the role is not specific to the operation of the AJCC and/or specific partner programs, so long as the role was defined by the Local Board in the procurement process and agreed to by all AJCC partners in the MOU.
- Shared personnel (and other non-infrastructure costs) for collocated partners. This may include AJCC receptionists and/or AJCC managers.

Timeline for Updates

Every MOU must contain an assurance that they will be reviewed and updated at least every three years. It is also required that the IFAs and Other System Costs Budgets be reviewed annually and if any substantial changes have occurred, be amended. The reviews should be ensuring accurate, up-to-date information regarding funding, delivery of services, additional partners, and any changes in the signatory official of the Local Board, Chief Elected Official, or AJCC partners.

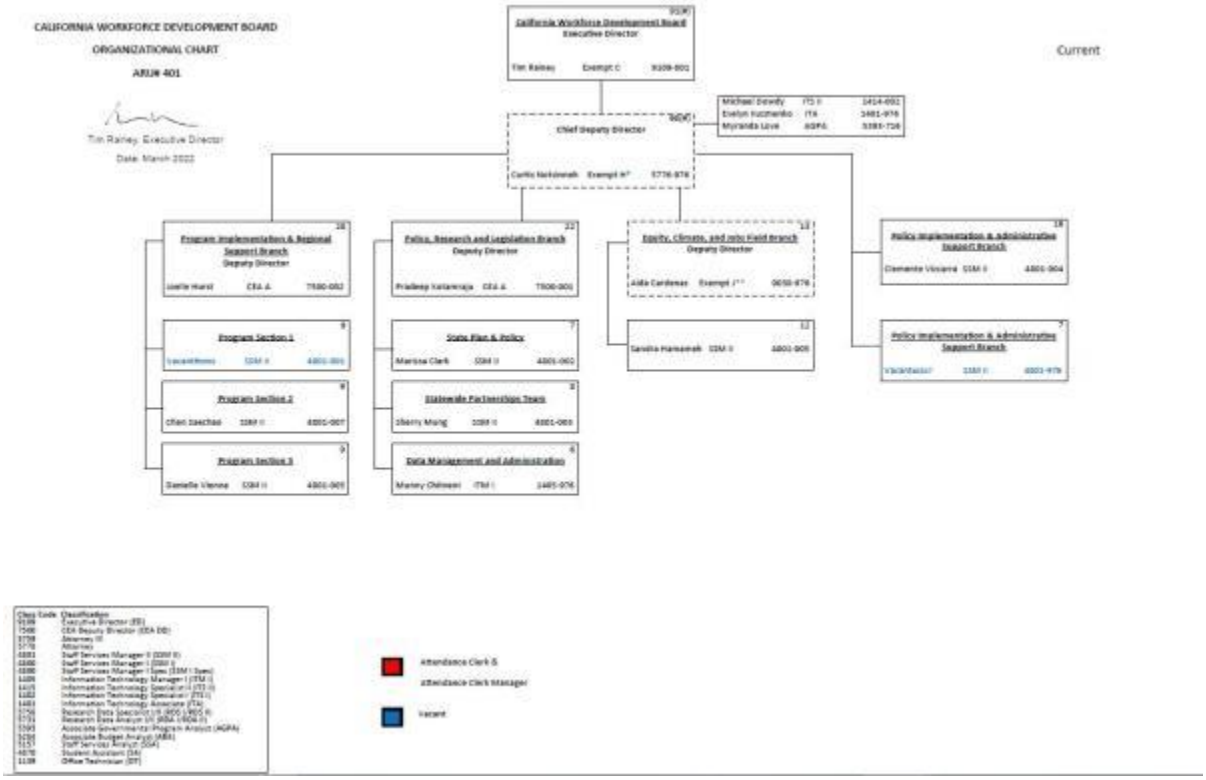
3. STATE PROGRAM AND STATE BOARD OVERVIEW

A. STATE AGENCY ORGANIZATION

Please note, due to technological constraints, we are unable to resize the images below to be fully compatible with the portal. To address visibility concerns, the pdf files of the organizational charts were also uploaded as appendices.

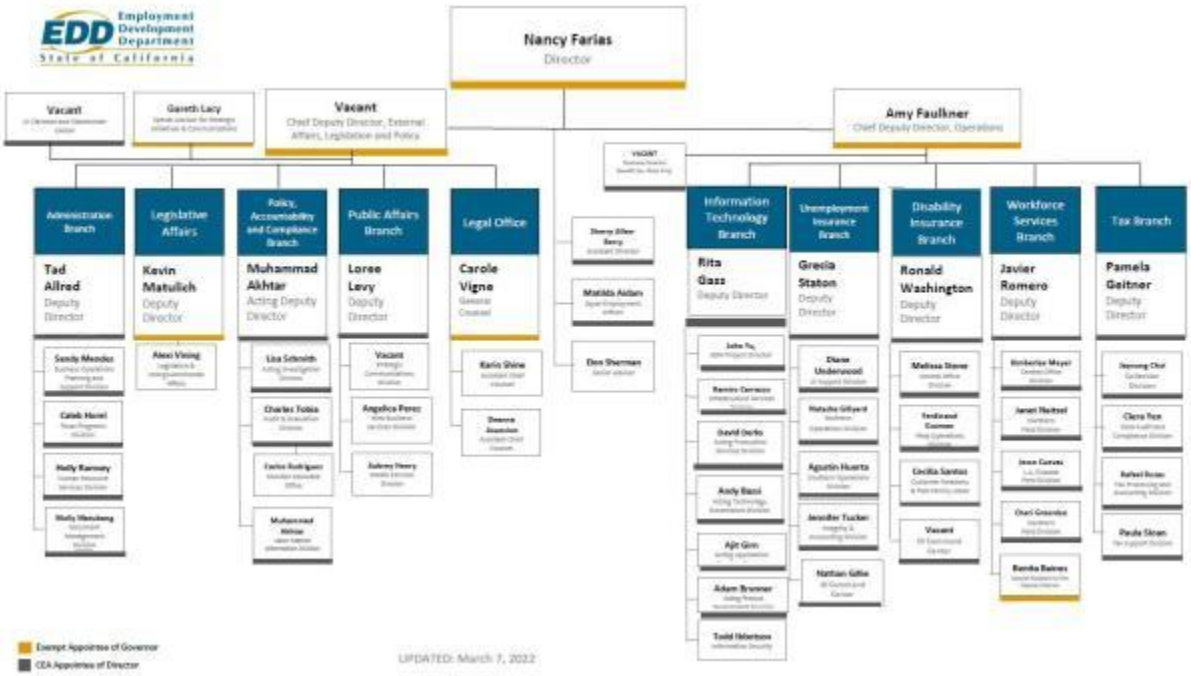
California Workforce Development Board

The California Workforce Development Board (CWDB) is the Governor's agent for the development, oversight, and continuous improvement of California's workforce investment system. The members of the CWDB, which consist primarily of representatives from businesses, labor organizations, educational institutions, and community organizations, assist the Governor in designing a statewide plan and establishing appropriate program policy. The CWDB reports to the Governor through the Chair of the CWDB, Secretary for the Labor and Workforce Development Agency, and Executive Director who provide oversight of the CWDB members and staff to ensure that policy recommendations are consistent with the Governor's vision for the state.



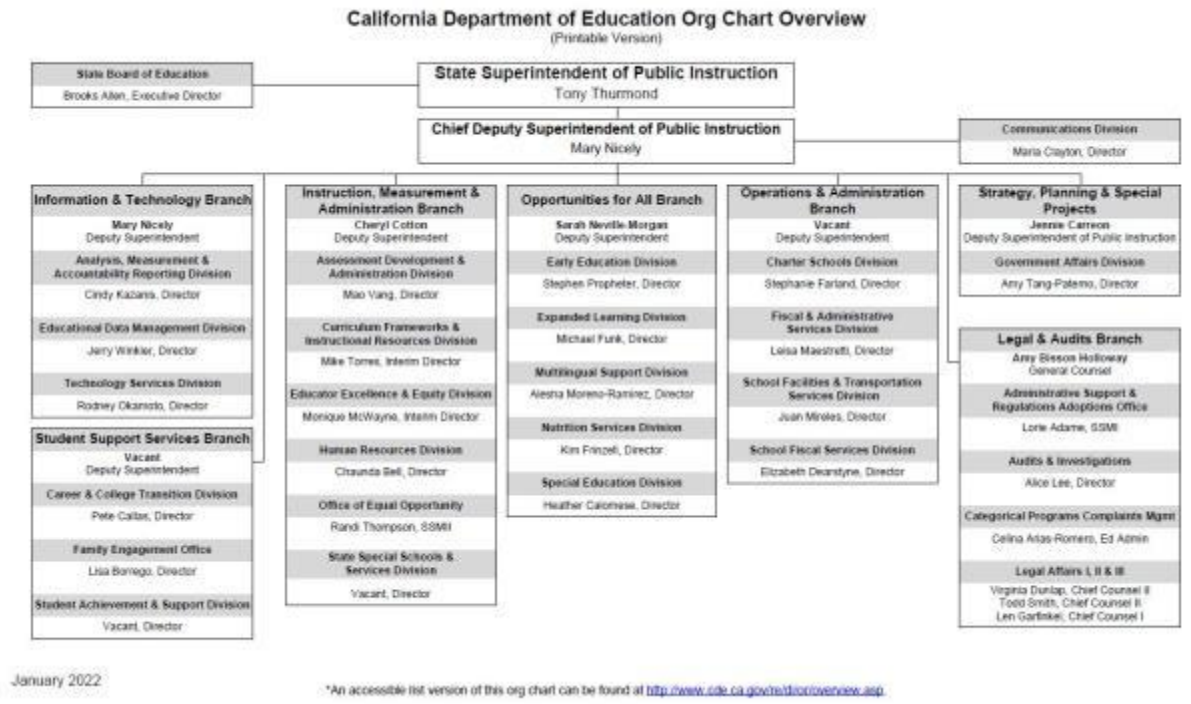
Employment Development Department

The Employment Development Department (EDD) administers WIOA Title I, Wagner Peyser, Labor Market Information Division, Disability Insurance, Paid Family Leave, Unemployment Insurance (UI), Trade Adjustment Assistance, and the Jobs for Veterans State Grant, among other programs. EDD is also California's major tax collection agency, administering the audit and collection of payroll taxes and maintaining the employment records for more than 17 million California workers. One of the largest departments in state government, handling over $90 billion annually, EDD has nearly 7,300 employees providing services at more than 200 locations throughout the state.



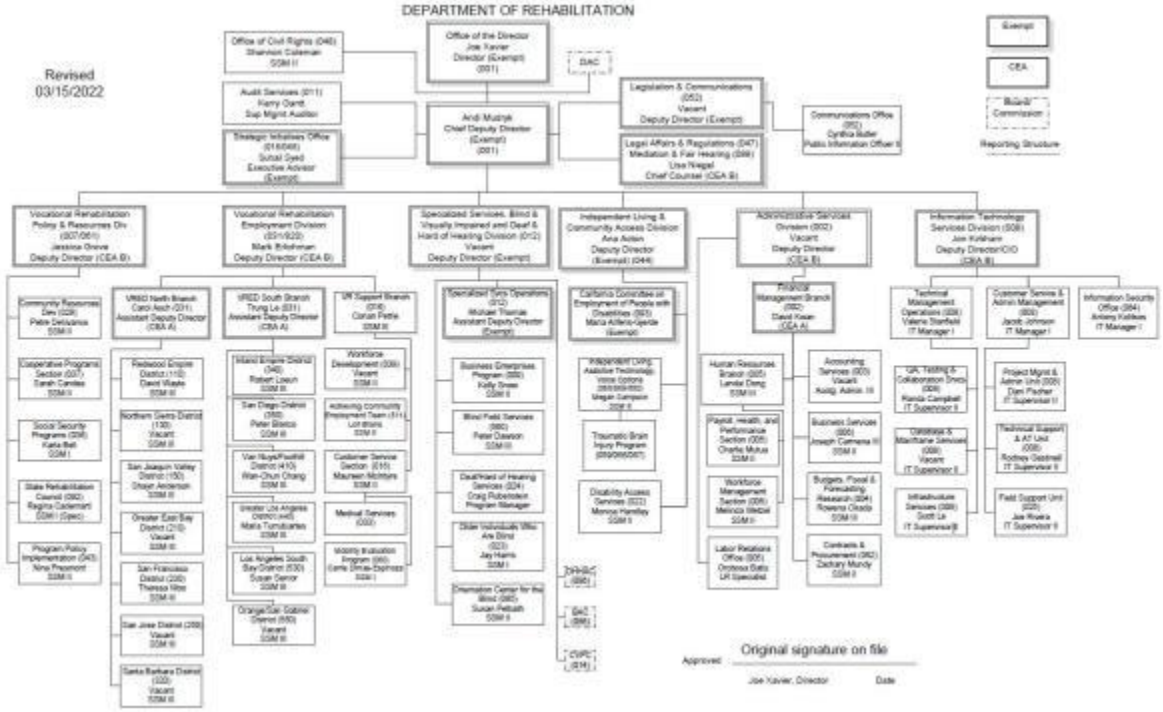
Department of Education

The California Department of Education (CDE) is the administrative and oversight body for K-12 programs, including career technical education and adult education and literacy programs in California. Four divisions within the CDE have program responsibilities associated, directly and/or indirectly, with WIOA. These divisions include the Career and College Transition Division, the Special Education Division, the English Learner and Support Division, and the Coordinated Student Support Division.



Department of Rehabilitation

The mission of Department of Rehabilitation (DOR) works in partnership with consumers and other stakeholders to provide services and advocacy resulting in employment, independent living, and equality for individuals with disabilities in California. The DOR administers the largest vocational rehabilitation (VR) program in the country and delivers VR services to persons with disabilities in offices throughout the state so that persons with disabilities may prepare for and engage in competitive integrated employment and achieve economic self-sufficiency. In addition, DOR has cooperative agreements with state and local agencies (secondary and postsecondary education, mental health, and welfare) to provide services to consumers.



B. STATE BOARD

The Governor appoints CWDB members, which consist primarily of representatives from businesses, labor organizations, educational institutions, and community organizations. The CWDB assists the Governor in designing a statewide plan and establishing appropriate program policy. To effectively implement this plan the State workforce structure includes 15 RPUS and 45 Local Workforce Development Areas (Local Areas).

Each of the state's 45 Local Areas are designated by the Governor and administer WIOA services. Factors that are considered in designating these Local Areas include geographic location, population, as well as the existing labor market areas and regional economic development areas in the state.

The Chief Elected Official of each Local Area appoints a Local Board with a local membership similar to the CWDB. The Local Board develops and implements strategies for meeting the employment and skill needs of workers, job seekers, and employers. The Local Board is responsible for overseeing service delivery through the AJCC system.

The AJCCs are a main entry point for the state workforce development system. The AJCC partners are jointly responsible for workforce and economic development, educational, and other human service programs. Therefore, collaboration is essential to establishing a quality-focused, employer-driven, and customer-centered system.

Every Local Area must have at least one comprehensive AJCC that provides universal access to the full range of employment services, training and education, employer assistance, etc. In other words, a comprehensive AJCC is a physical location where job seekers and employers have access to the programs, services, and activities of all the required AJCC partners.

I. MEMBERSHIP ROSTER

Representatives of Businesses (53.85%)*

Dr. Angelov Farooq, Chair
Owner - AVM Innovation Consulting, LLC

Kamyar Amiri-Davani
Vice President - Outclick Media

Mark Arabo
President and CEO - Refined Management

Robert Beitcher
President and Chief Executive Officer - Motion Picture and Television Fund

Jamil Dada
Senior Financial Manager - Provident Bank-Riverside County Branches

Lee Ann Eager
President/CEO - Fresno County Economic Development Corporation

Dean Fealk
Partner & Co-Chair, International Labor and Employment practice, DLA Piper

Michael Gallo
President and Chief Executive Officer - Kelly Space and Technology, Inc.

Jason Haider
Founder - Xenco Medical

Chris Hill
Chief Strategy Officer - Mycotoo, Inc.

Gary King
Chief Workforce Officer - Sacramento Municipal Utility District

Stephen Levy
Director and Senior Economist - Center for Continuing Study of the California Economy

Hilary D. Lentini
President and Chief Executive Officer - Lentini Design and Marketing, Inc.

Laura Long
Director of National Workforce Planning and Development - Kaiser Permanente

James Mangia
President and Chief Executive Officer - St. John's Well Child and Family Center

Stephen Monteros
Vice President of Operations and Strategic Initiatives - SIGMAnet

Robert Redlo
Consultant - Doctors Medical Center

Nicole Rice
President - California Natural Gas Vehicle Coalition

Anette Smith-Dohring
Workforce Development Manager - Sutter Health Sacramento-Sierra Region

Bruce Stenslie
President and Chief Executive Officer - Economic Development Collaborative, Ventura County

Gloria Young
President & Chief Executive Officer - Young and Lamay Associates

Representatives of Labor & Community-Based Organizations

John Brauer
WED Executive Director - California Federation of Labor

Diane Factor
Director - Worker Education and Resource Center (SEIU 721)

Larry Frank
Vice Chancellor - Workforce and Resources Development, Los Angeles Community College District

Leonard Gonzalez
Executive Director, Laborers' Training and Retraining Trust Fund

Rebecca Miller
Workforce Director - SEIU United Healthcare Workers-West (UHW)

Charles Riojas
Secretary-Treasurer -- Fresno, Madera, Tulare, Kings Building Trades Council

Fabrizio Sasso
Executive Director - Sacramento Labor Council

Jeremy Smith
Deputy Legislative Director - State Building and Construction Trades Council of California

Carol Zabin
Research Director - University of California (UC), Berkeley Center for Labor Research and Education

Floyd Trammell
Executive Director - West Bay Local Development Corporation

Representatives of State & Local Government Partners

Mark Ghaly, M.D., M.P.H.
Secretary - California Health and Human Services Agency

Nancy Farias
Director, Employment Development Department

Eloy Ortiz Oakley
Chancellor - California Community Colleges

Natalie Palugyai
Secretary - Labor and Workforce Development Agency

Avin Sharma
Director of Labor Relations and Workforce Development, Port of Los Angeles

Hon. Tony Thurmond
State Superintendent of Public Instruction - California Department of Education

Joseph Williams
Community Agent of Strategic Partnerships – Rialto Unified School District

Joe Xavier
Director - Department of Rehabilitation

Representatives of the State Legislature

Hon. Anna Caballero
California State Senator, District 12

Hon. Connie Leyva
California State Senator, District 20

Hon. Kevin Mullin
Representative - California State Assembly

Hon. Rudy Salas
Representative - California State Assembly

** Additional business and local government appointments are being considered for approval by the Governor. The denominator for business majority calculations does not include the Governor or appointed legislators.*

II. BOARD ACTIVITIES

State Board Activities

The CWDB and its staff provide active ongoing policy analysis, technical assistance, and program evaluation to inform and shape state policy on workforce and educational program design and implementation.

Executive Director

The Executive Director, who reports to both the CWDB Chair and the Secretary of Labor and Workforce Development, guides strategy, operations, planning, and policy development. The Executive Director is also the face and chief liaison for the organization in CWDB's dealings with other state department heads and workforce system stakeholders.

Chief Deputy Director

The Chief Deputy Director is the CWDB chief of staff and oversees the daily operations of the Deputy Directors and the staff in their branches. While the Deputy Directors responsible for the operations within the branches supervise the work of all staff in these units, they each report to the Chief Deputy Director.

The Administrative Support Branch

The Administrative Support Branch is responsible for providing administrative support for the CWDB, ensuring compliance on all federal WIOA reporting and state reporting and fiscal requirements, CWDB budget development and oversight, administrative matters pertaining to employment, procurement of goods and services, grant administrative matters, and program logistics. Specific responsibilities include the following:

- Fiscal operations and budget:
    - Preparation of October and April budget revision.
    - Maintenance of the CWDB's "above the line" WIOA funds.
    - Budget authority and total dollars allocated.
    - Tracking of all CWDB grant and initiative funds.
    - Providing a detailed monthly encumbrance and expenditure report to accurately project expenditures.
- Procurement of goods and services through contracting and interagency agreements.
- Human resources.
- CWDB staff development.
- CWDB member, committee, and workgroup support.
- Handling the logistical needs of CWDB and all of its committees and workgroups.
- Solicitation of federal and state funding opportunities.
- Drafting of annual reports, publication and audit responses.
- Maintenance of IT hardware and software, email systems, telecommunications equipment, network printers and copiers, and CWDB website as well as other online platforms.

<u>The Policy, Legislation, and Research Branch</u>

The Policy, Legislation, and Research Branch is responsible for conducting policy and program review for the CWDB in order to build a comprehensive state system and foster its continuous improvement. This function is achieved primarily through the development of policy recommendations and the identification and dissemination of information concerning best practices pertaining, but not limited to, the following areas:

- Developing planning guidance and policy directives to serve as technical assistance and provide policy rationale and supportive data for best practices and model partnerships.
- Conducting research on policies concerning effective sector engagement.
- Conducting research on building of careers pathways tailored to client population needs.
- Convening State Plan partners in accordance with the requirements of WIOA.
- Provide state and federal legislative analysis and government affairs support.
- Operating the CAAL-Skills Project.
- Administering the Corrections Workforce Partnership and P2E program.

<u>The Program Implementation and Regional Support Branch</u>

The Program Implementation and Regional Support Branch is charged with guiding innovation related policy and practice to advance the state's broad labor market goals of shared prosperity and income mobility. In providing technical assistance to key partners in the state's various regions, this branch works to foster the continuous improvement and implementation of best practices for those elements of the system pertaining, but not limited to, the following:

- System alignment through regional partnership.
- Sector engagement in regional labor markets.
- Using regional coalitions and partnerships to inform and advance the development of careers pathways.
- Accelerating skills and credential attainment aligned with regional labor markets.
- Facilitating access to job training, education and workforce services for populations with barriers to employment.

The Equity, Climate and Jobs Branch

The Equity, Climate, and Jobs Branch is tasked with engaging partners to advance an integrated approach to labor, workforce and economic policy. This approach includes a commitment to equity, sustainability, and job quality and enlists the following four elements: industry led problem solving, partnerships as a priority, worker wisdom, and industry driven education and training solutions. The work of the Equity, Climate, and Jobs Branch includes the following areas:

- Developing the CWDB's high road sector strategy as an effective, clear, transferrable and teachable field of practice.
- Supporting and scaling up existing HRTP and HRCC projects.
- Identifying and developing new HRTPs and HRCCs, with a focus on industry sectors impacted by climate change, policies that lead to a carbon neutral economy, and/or changes in technology and automation.
- Integrating apprenticeship and public sector employment with high road sector field practitioners.
- Establishing the High Road Institute for coaching and training new high road sector practitioners.
- Integrating the high road vision in regional field capacity building and Regional Plan implementation (RPI).
- Engaging public agencies, elected officials, board members, thought partners, and regional stakeholders to align all related work with the high road sector strategy underlying the CWDB's economic mobility goals.

4. ASSESSMENT AND EVALUATION OF PROGRAMS AND ONE-STOP PROGRAM PARTNERS

A. ASSESSMENT OF CORE PROGRAMS

Title I and Title III

CalJOBS℠ provides a unified and streamlined intake and case management system that enables co-enrollment across programs, while reducing the duplication of services provided to AJCC clients. The system currently serves as California's case management system and official system of record for federally required data for the following programs:

- Title I Adult
- Title I Dislocated Worker
- Title I Youth
- Title III Wagner-Peyser
- Jobs for Veterans State Grant
- Trade Adjustment Assistance
- National Dislocated Worker Grant

To ensure compliance with the performance accountability measures outlined in WIOA Section 116, the EDD issued Workforce Services Directive WSD19-03, which provides performance guidance related for all programs using the CalJOBS℠ system.

Additionally, Workforce Services Directive WSD19-06 provides AJCC staff with information regarding how to track services provided to individuals and employers in the CalJOBS℠ system, and provides a link to the data element(s) each CalJOBS℠ activity code maps to in the Participant Individual Record Layout.

To ensure the quarterly and annual participant data submitted to the federal Department of Labor (DOL) is accurate, the EDD issued Workforce Services Directive WSD18-02, which outlines the process AJCC staff must take to correct data in the CalJOBS℠ system. The EDD informs all AJCC staff of the year-end reporting schedule to ensure all supplemental data is entered, and that performance data is reviewed prior to the annual report submission.

Title II

The CDE AEO provides assessment and accountability services for the Title II program through TOPSpro Enterprise. TOPSpro Enterprise is a database designed to accurately measure progress, mastery of skills, and competencies needed to both complete, and advance one or more EFLs. It automates scoring, collects student demographic data, tracks agency and individual student performance, generates reports, and aggregates data for state and federal year-end reports.

Features of the data system and relevant processes include the following:

- TOPSpro Enterprise is used to collect and report all student progress and outcome measures, and for collecting information for federal and state annual reporting.
- The system provides student, class, and program reports that enable local providers to have immediate access to the data for targeting instruction for continuous program improvement.
- The local data is submitted quarterly and annually to the CDE for monitoring and aggregation into state and federal reports.
- TOPSpro Enterprise records each student's goals on entering a class, as well as their educational outcomes.
- Assessment may be formal (e.g., a written test), or informal (e.g., teacher observation of student performance through a check competencies mastered).

The data collected consists of measurable skill gains in the following programs areas: ELA, ASE, and ABE. The data collection process begins with program staff at agencies funded by the AEFLA inputting the data on a daily basis at each site during the program year. Each week the data collected from AEFLA funded agencies is aggregated at a statewide level. The annual data

aggregation and data validation begins August 1st of each year. The purpose of the annual data aggregation and validation process is to compile state and federal year-end reports due annually, by October 1st. Performance measures include WIOA Title II indicators of Measurable Skill Gains, credential attainment, employment after 2nd and 4th quarter, and median earnings.

The CDE also conducts an annual comprehensive qualitative program survey. This survey is required of all participating agencies and involves practitioner focus groups and interviews of both teachers and students. The results provide recommendations for state level planning and development activities, identify best practices and emerging needs, and helps focus professional development and training to ensure effective instructional programs for targeted populations.

Title IV

The DOR utilizes a case management system known as AWARE. In addition to WIOA data reporting, the AWARE system has a financial component utilized for federal reporting requirements. The system contains consumer data, case notes, and information regarding goods/services for consumers.

Data are collected and inputted in-house by VR staff located statewide in 13 geographic districts. The DOR continues to train staff on the current processes, and new processes as needed, and use AWARE to collect WIOA data. State VR systems/agencies collect and report summary data in a federally mandated format called the RSA Case Service Report. The RSA-911 report is submitted quarterly for the preceding quarter of the fiscal year by each state's VR agency.

The RSA-911 report contains a record for each participant, including VR applicants and students with disabilities receiving pre-employment transition services. It is feasible that a participant may appear more than once in one year, if their case was opened on two or more separate occasions. The federal RSA-911 report aggregates many variables of outcomes-related information, including demographics, disability, interventions, and reason for closure, employment status, sources of financial support, and more. The values of certain fields (e.g. income, hours worked per week, etc.) are reported both status at application and status at closure.

Additionally, RSA-911 quarterly data is consolidated into the annual WIOA Statewide and Local Performance Report (ETA 9169), submitted by October 1 of each year to RSA; this annual report includes five additional, computed data elements related to program performance measures and expenditures for that preceding federal program year.

The RSA assesses the quality, and effectiveness of DOR outcome-related information in relation to the State performance accountability measures described in WIOA Section 116(b), and coordinates guidance and technical assistance to the department to initiate and monitor program improvements. The DOR also uses the information from the quarterly and annual reports internally to self-assess performance and develop strategic initiatives.

B. ASSESSMENT OF ONE-STOP PARTNER PROGRAMS

The CAAL-Skills program includes participation from both core and other one-stop delivery system partner programs. CAAL-Skills is intended to unite partners in a program that enables a holistic yet statistically rigorous assessment of California's workforce system. CAAL-Skills enables the evaluation of workforce programs individually and collectively at the regional level through the assessment of outcomes. The UC Policy Lab, comprised of research and data science experts from UC Los Angeles and UC Berkeley, has been engaged to evaluate the data provided by CAAL-Skills partners in fulfillment of requirements outlined in WIOA Section 116.

Current data sharing partners include:

- Department of Industrial Relations-Division of Apprenticeship Standards

- Community Colleges Chancellor's Office
- Employment Training Panel
- Department of Social Services
- Employment Development Department
- Department of Education
- Department of Corrections and Rehabilitation
- Department of Rehabilitation
- Pilot counties

Influence partners, those that do not provide data but whose leadership and influence are provided through the executive operating committee, include:

- Labor and Workforce Development Agency
- California Workforce Development Board
- California State Board of Education
- County Welfare Director's Association

This interagency and multi-departmental data-sharing and program-evaluation initiative utilizes common performance measures to evaluate the outcomes associated with California's investment in workforce development, training, related education and supportive service programs. CAAL-Skills utilizes common performance measures to examine:

- The efficacy of participating programs based on participant outcomes (e.g. wages earned, credentials attained)
- The population served based on the participant characteristics, such as:
    - Demographics (e.g. age, gender, race, ethnicity)
    - Barriers to Employment (e.g. disabilities, cultural or language barriers, literacy or income level, ex-offender status)
    - Other characteristics (e.g. veteran status)
    - Other workforce system factors (e.g. program services provided, geographic location of service providers, industry of employment)

C. PREVIOUS ASSESSMENT RESULTS

<u>CAAL-Skills Workforce Metrics Dashboard Report</u>
The CWDB has developed a CAAL-Skills Workforce Metrics Dashboard Report which summarizes and graphically displays credential attainment, employment, and wage data for WIOA Core Programs, CalWORKS (California's TANF program), the Trade Adjustment Assistance program, the Employment Training Panel's State-Funded Incumbent Worker Training program, State Certified Apprenticeships, and the California Community College system's Career Technical Education programs. The dashboard provides a status report on credential attainment, training completion, employment and earnings and provides information on the demographics (race, ethnicity, age, gender, veteran status) and sector employment of workforce participants.

The CAAL-Skills Workforce Metrics Dashboard Report will provide descriptive statistics on aggregate outcomes for individuals who exited participating programs in State Fiscal Years 2014-15 and 2015-16 (which run from July 1 to June 30 each year). The report will be submitted to the California Legislature in Spring 2022, once it has received final approval from all participating program partners and the Labor and Workforce Development Agency.

UC California Policy Lab Analysis of CAAL-Skills Data

In addition to developing the CAAL-Skills Workforce Metrics Dashboard Report, the CWDB contracted with the California Policy Lab analyze CAAL-Skills de-identified program participant labor market outcome data for individuals who exited participating workforce programs in State Fiscal Years 2014-15 and 2015-16. The California Policy Lab partners with California's state and local governments to generate scientific evidence that solves California's most urgent problems, including homelessness, poverty, crime, and education inequality. The California Policy Lab builds close working partnerships between policymakers and researchers at UCLA and UC Berkeley to help evaluate and improve public programs through empirical research and technical assistance.

The California Policy Lab's lead researchers are Til von Wachter and Jesse Rothstein. Till von Wachter is a Professor of Economics at UCLA, Faculty Director of the California Policy Lab, Director of the Federal Statistical Research Data Center, and Associate Dean for Research for the Social Science Division. Prof. von Wachter has been an expert witness in numerous testimonies before committees of United States Congress, and has provided expert assistance to the City and County of Los Angeles, the DOL, the Canadian Labor Ministry, the Organization for Economic Co-operation and Development, the United Nations, and the International Monetary Fund. Jesse Rothstein is Professor in the Goldman School of Public Policy and the Department of Economics, and Director of the Institute for Research on Labor and Employment at UC Berkeley. He served as Chief Economist at the DOL and as Senior Economist with the Council of Economic Advisers, Executive Office of the President under the Obama Administration.

The evaluation employed a non-experimental design wherein training recipients were "matched" with similar-at-entry individuals drawn, in most cases, from the recipients of minimal services under the Title III Wagner-Peyser program. Comparison groups were created at a sophisticated level of precision, using state-of-the-art techniques to match individuals on the basis of demographic (race, ethnicity, gender) criteria as well as the local labor markets into which they enter.

For those programs where the design was successful, this approach enabled researchers to isolate the impacts from training on labor market outcomes, which is typically challenging in the absence of an experimental model. Programs included in the study are as follows: the WIOA Core Programs, CalWORKS (California's TANF program), the Trade Adjustment Assistance program, the Employment Training Panel's State-Funded Incumbent Worker Training program, State Certified Apprenticeships, and the California Community College system's Career Technical Education programs.

Highlighted results include strong findings that training under the Title I Adult and Dislocated Worker programs produces statistically significant and economically meaningful positive impacts upon the likelihood of becoming employed and individuals' earnings. In the Title I Adult program, receiving training services increased the likelihood of employment by nearly 10 percentage points. Training recipients in this program earned close to 30 percent (+$1,351) more in a quarter compared with members of the un-trained comparison group. Both male and female trainees experienced similar advantages.

In the Title I Dislocated Worker program, training increased employment by nearly 12 percentage points. Trainees saw an earnings advantage of 20 percent higher wages compared with the non-trainees group.

Training under State Certified Apprenticeship was also found to produce large increases in quarterly employment and earnings for participants relative to the comparison group of non-trainees. Trainees were about 6 percentage points more likely to be employed, and experienced positive wage gains of nearly 33 percent compared with non-trainees.

Positive impacts on employment and/or earnings were found for several other programs in the evaluation, at either a conclusive or suggestive level of evidence.

Evidence that training produced positive employment and/or earnings impacts was also found for trainees in State Certified Apprenticeship, Trade Adjustment Assistance, and several other programs in evaluators' study.

An initial draft of the evaluation report ("CAAL-Skills: Study of Workforce Programs in California") was produced in July 2021 and submitted to the CWDB and data-sharing partners in early August. Between August and early September 2021, researchers from the California Policy Lab presented findings to each of the CAAL-Skills data-sharing partners. A final report is undergoing preparation, and Policy Lab researchers are working with the CWDB to produce a policy brief version of findings for a generalist audience.

Evaluation of Slingshot and Workforce Accelerator Fund

Launched in 2014, SlingShot was California's regional prosperity initiative. The initiative was focused on bringing together leaders from industry, education and government – including both the economic and workforce development systems – to identify and address 'demand-side' workforce issues as well as expanding opportunities for economic mobility. The state's 12 SlingShot regions represented the broad geographic, demographic and economic diversity that makes up California. Work done under the SlingShot initiative set the stage for regional work that continues today in California's 15 RPUs.

Also launched in 2014, the Workforce Accelerator Fund (Accelerator), is a grant program that continues to provide resources to innovative projects with the goal of helping individuals with barriers to employment find jobs and advance in careers at wage levels that support their economic well-being. Through the Accelerator initiative, the CWDB has awarded over a hundred grants testing innovative ideas, forging new partnerships, and creating new models and modes of service delivery to improve participant outcomes.

In June 2017, the CWDB awarded the Corporation for a Skilled Workforce (CSW), Social Policy Research Associates (SPRA), and BW Research Partnership contracts to analyze the Slingshot and Accelerator Grant Programs and to make recommendations to improve the programs. CSW served as the evaluation coordinator for the research being conducted while BW served as the principal researcher for SlingShot and SPRA served as the principal researcher for Accelerator. Researchers used a variety of methodologies to study both grant programs, including site visits, interviews, and data analysis.

Slingshot Initiative

BW Research Partnership evaluated the statewide SlingShot initiative and sought to do the following:

- Understand what regions learned from SlingShot.
- Understand how the initiative evolved over time.
- Understand how regional engagement efforts could be built and sustained.
- Understand how to scale efforts for greater impact.

The evaluators identified the following "challenge themes" from participants in the SlingShot Grant program:

- Industry Engagement: Despite many initial successes in the SlingShot initiative, it was still difficult engaging industry stakeholders in a consistent and significant way. All regions identified ongoing industry engagement as a major obstacle to progress, though many were encouraged by examples where individual companies actively engaged.
- Sustainability: Successfully innovating and creating system change typically takes time as well as trust and credibility with industry, education and community partners. Regions consistently identified the challenges associated with sustainability: growing trust and credibility with partners; developing early-stage innovation, planning and implementing to scale and expanding but with uncertainty about the timing of additional resources. All systems resist change and tend to remain inert without the necessary set of factors to help them move to a new condition. There is also great elasticity built into all systems, and they will return to their previous state unless there is deliberate and sustained pressure to move to a new model.

The evaluators identified the following "success themes" from participants in the SlingShot Grant program:

- Empowering Regional Collaboration: While the Slingshot initiative emphasized new and innovative approaches, the fact is that the ability to move quickly, engage employers and other partners, create new programs and pathways, vet industry-recognized credentials, and braid existing resources was often built upon prior relationships among partners who had developed trust by working together and collaborating on earlier projects or plans.
- Key Players as Catalysts: Looking across the profiles of all regions, the impact of SlingShot's role of introducing "catalysts" into the system becomes clear. In the success stories of each region, there were always key players, be they individuals or organizations that acted as catalysts, without whom critical connections would not have been made, foundational programs and processes would not have been developed, and important stakeholders would not have been engaged and brought into the fold. In the absence of such key players acting as catalysts, supported by the SlingShot model, it is difficult to imagine these types of innovations coming to fruition so consistently and frequently across regions.
- Flexibility to Experiment and Pivot: In a state the size of California, with its regional economic and demographic diversity, it is clear that the problems, opportunities and solutions will vary immensely from region to region. A "one-size-fits-all" approach to workforce development and innovation would clearly not be viable. Regions were offered flexibility in embracing the SlingShot process and tailoring it to the unique needs of each region, along with the latitude and time to try new strategies and program designs – and then to change direction based on early learnings. This aspect of the initiative was vital to the overall success of SlingShot.

Additionally the evaluators identified the following key recommendations to the State:

- There is a need to support efforts that grow stronger regional networks and deeper collaboration. The state can support these efforts by first understanding the level of engagement necessary to build collaboration and sustainable system change. Activities the state can use to support these efforts include making opportunities available for regions to bring together regional partners, either through state-funded convenings or by creating viable networks for regions to share planning and implementation activities.
- There is a need to continue supporting regional "pivoting" due to changing labor markets or partner dynamics. Regions consistently voiced that the ability to pivot in response to new information and incorporate evolving input from regional partners was

an essential characteristic of successful SlingShot initiatives. The state is instrumental in a region's ability to be nimble and responsive to regional partners and labor market needs. Being open to the emergent nature of employers-voiced skill needs, and how regional education and training partners can adapt to those needs is vital.

- There is continued need to elevate regional communication and information sharing. To build trust and flexibility, regions committed themselves to improving communication and information sharing, both internally and externally. Nevertheless, an important state role is identifying, describing and categorizing best practices, consistent protocols and other standardized practices for regional engagement.
- There is a need to support formal decision-making processes and shared administrative responsibilities at the regional level. Decision making structures and administrative responsibilities imply power determinations. SlingShot was about shared power among many partners. The state can support emerging decision-making processes by ensuring that the flexibility inherent in SlingShot continues into future initiatives, particularly as it relates to formal decision-making and administrative responsibilities.
- There is a need to measure what matters. No matter what the stage of development or the final objectives of the project, it is invaluable for regions to begin the process of deciding what to measure, and then starting to measure what is important, to the point where their efforts become based on targets set and modified as additional information and learning dictates.

Workforce Accelerator Fund

SPRA evaluated the first five grant cycles of Accelerator to learn about how the grant program worked operationally on the ground as well as the way the initiative helped the workforce system build capacity to innovate. The evaluators found some promising results, but recommended further, more systematic research on Accelerator's abilities to impact employment and wages for participants.

With that recommendation in mind, CWDB is beginning work on a second evaluation of Accelerator. This evaluation will cover the sixth through tenth rounds of the grant program. CWDB plans to conduct this evaluation internally, using the research expertise of its newly expanded Policy, Legislation, and Research Branch.

The evaluation will focus on the abilities of grantees to successfully partner with other workforce services providers in their region in order to coordinate maximally effective service delivery. To do this, CWDB has begun work on a new "Partnership Index" that it will use to measure the quality of grantees' partnerships. Furthermore, CWDB now requires all Accelerator participants to register in the CalJOBS case management system, facilitating more rigorous and systematic analysis of employment and wage outcomes. The tenth round of Accelerator is currently scheduled to wrap in 2023, and the evaluation report will follow.

After further consultation with the CWDB research team, we added the following information:

As previously described, the lead state agencies are engaged in an extensive assessment of the different state and federal programs it oversees. The assessment usually takes two forms: (1) a descriptive analysis of the efficacy of the implementation of the different grants and programs; and (2) an evaluation of the impacts the different grants and programs have on the workforce development system. Typically, the program assessment is either conducted by external third-party evaluators but sometimes these evaluations are conducted by the state agencies themselves. All program assessments conducted by a third party evaluator, agency staff act as a conduit for data collection, research design, and outcome specifications between the third-party

evaluator. The general and broad questions that all CWDB assessments and evaluations seek to answer are:

1. Are the workforce development trainings that are provided through the different CWDB grants and programs effective overall and for various sub-populations?; and
2. Do participants in workforce development trainings that are provided through the different CWDB grants and programs have their outcomes improved when it comes to employment and wages?

Answering the above questions requires the application of both quantitative and qualitative analyses, applying the most appropriate research design using a mixed-methods statistical approach that involves a combination of in-depth interviews, surveys, document analysis, and inferential statistics. The following provides a list of ongoing program evaluation and assessment activities initiated, developed, or partially completed during PY 2021 by the CWDB to meet state and federal legislative requirements.

High Road Training Partnership: California Climate Investments: The third-party evaluation will begin June 1, 2022 and be completed by December 2025.

High Road Construction Careers: SB1: The third-party evaluation will begin June 1, 2022 and be completed by December 2025.

Education Stabilization Fund-Reimagine Workforce Preparation (ESF-RWP): The evaluation will be conducted internal by the CWDB.

Regional Plan Implementation (RPI) 3.0: The third-party assessment completed March 31, 2022.

Regional Plan Implementation (RPI) 4.0: The third-party assessment is in progress and will be completed March 31, 2023.

America's Job Center of California (AJCC): The third-party evaluation is in progress and will be completed June 30, 2022.

CAAL-Skills Workforce Metrics Dashboard: The assessment conducted internally and was completed April 2022.

CAAL-Skills Impact Study: The third-party evaluation is in progress and will be completed June 30, 2022.

Prison to Employment (P2E) Initiative: The third-party evaluation is in progress and will be completed June 30, 2023.

Breaking Barriers to Employment Initiative (AB 1111): The third-party evaluation is in progress and will be completed June 30, 2022.

Workforce Accelerator Fund (WAF): The evaluation is being conducted internally and will be completed April 2023.

Continuous Improvement Strategies Utilizing Results from Studies and Evidence-Based Practices

Based on preliminary unpublished findings from the aforementioned assessments, California is able to modify how it will approach its future assessments and evaluation by doing the following:

- For all grants serving and tracking participants are required to use the CalJOBS case management system. Additionally, the grant application and management process has been improved by adopting a cloud-based management system. This system enables

CWDB to better coordinate grantee selection, fund distribution, performance monitoring, and program improvement based on the results of evaluations.

- The State is now working with third-party evaluators and data-sharing partners to (1) refine research design in order to evaluate training impacts for remaining programs in the study and (2) test whether impacts from workforce programs differ systematically among different populations. The latter modification of the evaluation design will enable the State to rigorously assess the impact of workforce programs on equity goals.
- The State is moving toward data collection and analysis strategies that will focus on comprehensively measuring equity of according to a three-part model that takes into account equity in participation, in program or service experience, and outcomes, in state workforce programs.
- The State continues to evaluate the regional partnerships and focus on aiding the regions to establish metrics for the various indicators determined in previous iterations of SlingShot. The Board has initiated formal partnerships with community colleges and the Chancellor's Office to design a data collection framework for all participants involved in the next phase of Regional Planning Implementation (RPI). The State continues to support regional collaboration and their establishment of metrics. Once these metrics are solidified the State will be using enrollment, outcome, and placement data collected by the Chancellor's Office, community colleges, regional planning units, and the Board's third-party evaluators to assess the progress of participants. The State will be primarily interested in capturing occupational information including industry placement, wage growth, job quality, and, job retention, among other variables with a central focus on equity.

The State will continue to emphasize the use of demand-driven skills attainment as a means to facilitate upward mobility for populations with barriers to employment. To build the regional skills infrastructure connecting program participants to good jobs in growth sectors requires partnerships that align programs and coordinate services, including supportive services, across programs and funding streams. The CWDB will continue to prioritize activities designed to help achieve the State Plan's three primary policy objectives: (1) demand-driven skills attainment; (2) upward mobility for populations with barriers to employment; and (3) program alignment.

To summarize, besides receiving federal WIOA funding, the CWDB has received a significant level of state funding, all requiring some form of assessment and evaluation. Moreover, the lessons being learned from the completed and current set of assessments has led the CWDB to reexamine the data collection processes, research designs, and education and employment outcomes specifications. The CWDB intends to use the results, conclusions, and implications from each of the program-specific assessment evaluations summarized above to move towards developing a common evaluation framework to assess the collective impact of all workforce development programs in California.

D. EVALUATION

Evaluation activities in California deploy a variety of qualitative and quantitative research methodologies to assess program efficacy using both in-house staff and contract researchers. Preferred methods include survey research, focus groups, communities of practice, literature reviews, analyses of descriptive statistics, and applied inferential statistics. Some of these activities happen during the course of regular operations, for example, through routine structured interactions with organizations receiving workforce grants, and through the implementation of the CAAL-Skills workforce data initiative. Other evaluation and assessment activities are formalized and implemented through the use of third party subject matter experts hired to provide specialized research.

Typically the state's evaluation and assessment activities aim to investigate how specific operational practices and policy interventions affect the success of workforce programs and their participants. Relevant research questions include the following:

- What types of services are most likely to improve the labor market outcomes of program participants, especially over the medium to long term?
- How can operational practices be better structured to facilitate improved operations and better outcomes for workforce program participants?
- What program supports ensure program sustainability, continued program participation for participants, and limit premature program exit for participants while ensuring innovation and sustainability?
- What practices facilitate partnership between service providers?
- What practices facilitate regional partnerships and industry engagement?
- How can services be made more customer-centered?

Evaluation of America's Job Centers of California

In February 2020, the CWDB announced it had awarded the CSW and the Ray Marshall Center at the LBJ School of Public Affairs (at the University of Texas, Austin) a contract to analyze how different operational practices in the AJCCs affect the distribution of services provided to WIOA Title I program participants. The objective of this evaluation is to determine whether local decisions about how to operate AJCCs systematically affects access to the different types of services available to program participants.

Both the quantitative and qualitative evaluation address different aspects of the same question: "which interventions in AJCC design and service approach produce greatest benefits for participants?" Specific sub-questions include:

- Are some operational and service delivery models associated with a higher propensity to provide some services rather than others?
- Does the "mix" of services clients receive have any systematic relationship to the labor market outcomes of program participants?
- What innovations in serving participants have LWDBs made since the global pandemic, and what are promising practices that should be retained?

This evaluation, which began at contract execution in November of 2020, utilizes surveys, site visits, interviews, focus groups, and a quantitative analysis of services delivered during a period from 2016 to 2020.

Analysis of participant Title I data by Ray Marshall Center researchers is underway. Candidates for in-depth case studies have been selected and contacted, and interviews with LWDB staff began in October 2021.

Results of the evaluation (expected March 2022) will be promulgated in a final evaluation report to be made public, and are anticipated to provide an evidence basis for the future of state and national workforce policy in relation to the AJC system.

California has utilized WIOA statewide funds to evaluate RPI efforts in the 15 RPUs. The purpose of the evaluation is to help California assess and evaluate the RPI efforts and the lessons learned from that process by answering the following questions:

- How do Local Boards and their partners in a region work together to define problems, set goals, identify and implement solutions, and assess outcomes? What are those outcomes?
- How do regionalism and local operational authority co-exist? How has regional work impacted the service delivery systems at the local level?
- How have the regions evolved over time, and how can the state support regions in achieving and sustaining their goals in the future?

The RPI evaluation is designed to take a formative approach to the implementation of regional planning across the 15 RPUs. The goal is to understand the ways each part of the state is approaching regional work and how their efforts to date align with California's overall vision. By understanding the implementation process of each region, California hopes to identify promising practices being used in various regions as well as gaps or challenges in implementing regional strategies and structures.

To standardize findings across the regions, the evaluation will use and build upon the Regional Coordination and Alignment Indicators which were developed as a framework for assessing regional implementation progress in achieving the objectives of the State Plan.

Evaluation of High Road Training Partnerships

The HRTP initiative is a sector-based approach to addressing critical workforce issues related to equity, job quality, and environmental sustainability. HRTPs are industry-based, worker-focused training partnerships that build skills for California's high road employers—firms that compete based on quality of product and service achieved through innovation and investment in human capital. HRTPs generate family-supporting jobs and have the following characteristics:

- Industry-Led Problem Solving: Foundational is that the industry – including leaders representing both employers and workers – lead the problem solving for the workforce demands unique to that industry.
- Partnerships as a Priority: It is key to have strong and durable industry partnership as a goal in and of itself. Here it means a formal relationship that is neither loose nor ad hoc, but forms the basis of sustained problem-solving.
- Worker Wisdom: Existing HRTPs in California have developed innovative ways to explicitly bring worker voice into their strategies and tactics as a core value undergirding the partnership.
- Industry-Driven Education & Training Solutions: Partnerships can tap into training that already exists, develop and deliver their own programs, or use a hybrid approach specific to their particular workforce needs.

The CWDB executed a contract with the UC Los Angeles (UCLA) Labor Center to develop a process evaluation for the HRTP Initiative, documenting the experience of HRTP project partners and monitoring their successes and challenges as they work to address economic inequality, climate change, and job quality utilizing a regional workforce skills infrastructure and labor management partnerships. The contract was subsequently extended in April 2020.

The UCLA evaluation is qualitative in nature and primarily utilizes interviews and stakeholder engagement to develop rich contextual case study descriptions pertaining to the manner in which HRTPs operate. To date, the evaluator has drafted eight case studies covering workforce partnership activities in the following industry sectors: Logistics, Healthcare, Hospitality, Janitorial, Ports, Transit, Public Service, and Water Utilities. A review of these case studies suggests the following:

- Intermediaries are key to the development of Industry partnerships.
- Skills training must be informed by the subject matter expertise of industry leaders.
- Disadvantaged communities can access good jobs through the building of a regional skills infrastructure that provides the proper program supports to those receiving training.

Evaluation of AB 1111 State Funded Grant Program

The AB 1111 Grant program is a state funded grant program designed to expand the reach of the state's workforce system by building partnerships between Local Boards and Community Based Organizations (CBOs) that provide services to individuals with barriers to employment. The design of the AB 1111 program has been informed by the experiences of LWDBs and CBOs who have participated in the Accelerator grant program. Under the grant program, LWBD-CBO partnerships are intended to harness the subject matter expertise of CBOs who have roots in relevant communities or who have specialized knowledge pertaining to service delivery for target populations so as to utilize CBO expertise and facilitate greater access to the workforce system. The program also allows LWDBs and CBOs to initiate services using state money before enrolling participants into WIOA, addressing performance related disincentives to providing services to California's hardest to serve.

In November 2019, the CWDB announced it had awarded the CSW and SPRA a contract to provide an analysis of the outcomes of the individuals served by the initiative, an analysis of the effectiveness of grantee programs' service delivery and design, and an analysis of the initiative's impact on the workforce system as a whole. Research questions that are the focus of this evaluation include the following:

- To what extent do Initiative participants (overall, by target group, and by grantee) complete their programming funded under the grant?
- To what extent do Initiative participants (overall, by target group, and by grantee) transition into or become integrated into the broader workforce and education system as evidenced by enrollment in these programs (WIOA Titles I & II; Adult Education Block Grant; community colleges; VR)?
- To what extent do grantees achieve their performance goals for serving specified numbers of target group members? For transitioning those participants into the broader workforce and education system? For supporting those participants so that they complete their services and attain success on program performance metrics? If grantees do not achieve these goals, why not?
- What are the key service delivery and design elements (whether proven or newly developed) of the most successful grantee programs (as evidenced by grantees' success in achieving their own performance goals and by the outcomes of their participants)? How do these vary by target group? By geographic context?
- To what extent do grantee programs supplement and align workforce system services with services provided by CBOs to build the capacity of the workforce system to better serve individuals with barriers?
- To what extent do grantee programs successfully integrate individuals from target populations into Regional Planning Unit (RPU) career pathways programs in target industry sectors as specified in Regional Plans?

Quantitative and qualitative research methods employed for this analysis include the following: background analysis of grant application documents and quarterly grantee narrative reports;

review of related local and regional workforce plans; interviews and surveys of Local Workforce Development Board staff; interviews and surveys of CBO staff; quantitative analysis of related administrative and performance data.

The AB 1111 program is scheduled to wrap in March 2022, with the evaluation report following in May 2022. In September 2021, CWDB authored an Interim Report to the California Legislature on the progress of the program. The Report found that grantees had made substantial progress in enrolling members of the target populations, with the greatest representation coming from economically disadvantaged Californians (82 percent of participants), long-term unemployed Californians (35 percent), ex-offenders (32 percent), Californians experiencing homelessness (29 percent), unskilled/underskilled low wage workers (18 percent), disconnected youth (16 percent), English language learners (16 percent), and Californians with disabilities (11 percent). Furthermore, the early indicators on co-enrollments into WIOA Title I programs and employment placements are promising.

Evaluation of Prison to Employment State Funded Grant Program

To spearhead California's efforts to promote equity and create economic opportunity for formerly incarcerated and justice-involved individuals, the Governor's 2018-19 Proposed Budget included $37 million over three years for the P2E. P2E funds the integration of workforce and reentry services in all of California's labor regions, or RPUs. In 2019, funds were awarded to RPUs, with the greatest amounts going to where the highest numbers of formerly incarcerated and justice-involved individuals reside. The Initiative is designed to support regional planning efforts, fund RPI, and provide resources for direct services to the formerly incarcerated and other justice-involved individuals. It also sets aside specific resources for both supportive services and earn and learn activities, which were identified as a major gap by previous grantees and local service providers. P2E enrolled its first participants in October 2019, and services are scheduled to wrap in March 2022.

P2E also sets aside funds for an external evaluation of the program. CWDB has contracted with the Presley Center of Crime and Justice Studies at the University of California, Riverside to conduct the evaluation. The evaluation will investigate the following research questions:

- Which programs and types of programs led to higher employment rates and higher wages for participants?
- Which programs and types of programs led to reduced inequities for historically marginalized populations?
- How well did grantees coordinate pre-release reentry services and post-release workforce services from multiple service providers? What best practices can be learned?
- What causal mechanisms may help explain answers to the above questions?

Quantitative and qualitative research methods employed for this analysis include the following: background analysis of grant application documents and quarterly grantee narrative reports; review of related local and regional workforce plans; interviews and surveys of P2E participants; interviews and surveys of Local Workforce Development Board staff; interviews and surveys of CBO staff; quantitative analysis of related administrative and performance data. The evaluation report will conclude after all necessary employment and wage data reaches CWDB in 2023.

In September 2021, CWDB authored an Interim Report to the California Legislature on the progress of the program. The Report found that grantees had made excellent progress recruiting justice-involved and formerly incarcerated individuals into the program, with several

grantees exceeding their enrollment targets a year ahead of schedule. Additionally, early indicators on co-enrollments, credential attainment, and employment and wages are promising.

5. DISTRIBUTION OF FUNDS FOR CORE PROGRAMS

A. FOR TITLE I PROGRAMS

I. YOUTH ACTIVITIES IN ACCORDANCE WITH WIOA SECTION 128(B)(2) OR (B)(3)

The WIOA contains specific guidance that states must follow when allocating federal allotments of Title I Adult, Dislocated Worker, and Youth funds to Local Areas. For the distribution of Title I Adult and Youth funds, California uses the standard allocation method recommended in WIOA. For the distribution of Title I Dislocated Worker funds, California developed a state specific method in accordance with WIOA.

Youth Funds are allocated in accordance with WIOA Section 127 (b)(1)(C)(ii):

- One-third of funds will be distributed on the basis of the relative number of unemployed individuals in areas of substantial unemployment in each Local Area (at least 6.451 percent), compared to the total number of unemployed individuals in areas of substantial unemployment in all Local Areas.
- One-third of funds will be distributed on the basis of the relative share of excess unemployed individuals in each Local Area (at least 4.5 percent), compared to the total excess number of unemployed individuals in all Local Areas.
- One-third of funds will be distributed on the basis of the relative share of economically disadvantaged youth in each Local Area, compared to the total number of economically disadvantaged youth in all Local Areas.

<u>Hold Harmless - Adult, Dislocated Worker, and Youth Funds</u>

Effective at the end of the second full fiscal year after the date a Local Area is designated, the Local Area must not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the Local Area for the two preceding fiscal years. Amounts necessary for increasing such allocations to Local Area to comply with the preceding sentence must be obtained by reducing the allocations to be made to Local Areas whose formula allotment percentage exceeds 90 percent of the prior two year average.

II. ADULT AND TRAINING ACTIVITIES IN ACCORDANCE WITH WIOA SECTION 133(B)(2) OR (B)(3)

The WIOA contains specific guidance that states must follow when allocating federal allotments of Title I Adult, Dislocated Worker, and Youth funds to Local Areas. For the distribution of Title I Adult and Youth funds, California uses the standard allocation method recommended in WIOA. For the distribution of Title I Dislocated Worker funds, California developed a state specific method in accordance with WIOA.

Adult Funds are allocated in accordance with WIOA Section 132 (b)(1)(B)(ii):

- One-third of funds will be distributed on the basis of the relative number of unemployed individuals in areas of substantial unemployment in each Local Area (at least 6.451 percent), compared to the total number of unemployed individuals in areas of substantial unemployment in all Local Areas.

- One-third of funds will be distributed on the basis of the relative share of excess unemployed individuals in each Local Area (at least 4.5 percent), compared to the total excess number of unemployed individuals in all Local Areas.
- One-third of funds will be distributed on the basis of the relative share of economically disadvantaged adults in each Local Area, compared to the total number of economically disadvantaged adults in all Local Areas.

Hold Harmless - Adult, Dislocated Worker, and Youth Funds

Effective at the end of the second full fiscal year after the date a Local Area is designated, the Local Area must not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the Local Area for the two preceding fiscal years. Amounts necessary for increasing such allocations to Local Area to comply with the preceding sentence must be obtained by reducing the allocations to be made to Local Areas whose formula allotment percentage exceeds 90 percent of the prior two year average.

III. DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES IN ACCORDANCE WITH WIOA SECTION 133(B)(2) AND BASED ON DATA AND WEIGHTS ASSIGNED

The WIOA contains specific guidance that states must follow when allocating federal allotments of Title I Adult, Dislocated Worker, and Youth funds to Local Areas. For the distribution of Title I Adult and Youth funds, California uses the standard allocation method recommended in WIOA. For the distribution of Title I Dislocated Worker funds, California developed a state specific method in accordance with WIOA.

Dislocated Worker Funds are allocated in accordance with WIOA Section 133(b)(2):

- Ten percent will be distributed on the basis of the relative number of short-term unemployment insurance claimants in each Local Area, compared to the total number of short-term unemployment insurance claimants in all the Local Areas.
- Thirty percent will be distributed on the basis of the relative number of mid-term unemployment insurance claimants in each Local Area, compared to the total number of mid-term unemployment insurance claimants in all the Local Areas.
- Forty percent will be distributed on the basis of the relative number of long-term unemployment insurance claimants in each Local Area, compared to the total number of long-term unemployment insurance claimants in all the Local Areas.
- Twenty percent will be distributed on the basis of long-term unemployment, which is determined by the percentage of unemployment insurance claimants drawing 15 weeks or more of benefits and multiplying this by the total number of unemployed civilians in the Local Area relative to the number in all Local Areas.

Hold Harmless - Adult, Dislocated Worker, and Youth Funds

Effective at the end of the second full fiscal year after the date a Local Area is designated, the Local Area must not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the Local Area for the two preceding fiscal years. Amounts necessary for increasing such allocations to Local Area to comply with the preceding sentence must be obtained by reducing the allocations to be made to Local Areas whose formula allotment percentage exceeds 90 percent of the prior two year average.

B. FOR TITLE II

I. DESCRIBE HOW THE ELIGIBLE AGENCY WILL AWARD MULTI-YEAR GRANTS OR CONTRACTS ON A COMPETITIVE BASIS TO ELIGIBLE PROVIDERS IN THE STATE, INCLUDING HOW

ELIGIBLE AGENCIES WILL ESTABLISH THAT ELIGIBLE PROVIDERS ARE ORGANIZATIONS OF DEMONSTRATED EFFECTIVENESS

Title II

For grant years July 1 2020–June 30, 2023, an open competitive application process was executed that adheres to the considerations outlined in WIOA Section 231(e). Grant applicants were required to establish that they have demonstrated effectiveness through performance data on its record of improving the skills of eligible individuals, particularly those who have low levels of literacy. This must be demonstrated in the following content domains of reading, writing, mathematics, ELA, and other subject areas relevant to the services contained in the state's application for funds. Grant applicants were also required to provide information regarding outcomes for participants related to employment, attainment of secondary school diploma or its recognized equivalent, and transition to postsecondary education and training.

Successful applicants in the screening process were allowed to apply online via the Request for Application (RFA) process. Agencies must provide narrative detail to the prompts associated with the considerations as specified in the WIOA Section 231(e).

The CDE uses 82.5 percent of the state allocation for local assistance grants. Local assistance grants and contracts are based on the following priorities:

- Populations with greatest need and hardest to serve, which includes adult learners who are performing below the eighth grade level.
- Populations performing at or above the eighth grade level, but who do not have a high school diploma or its equivalent.
- Incarcerated adults or eligible adults residing in state hospitals who perform below the high school graduation level.

For leadership activities, the state allocates 12.5 percent to provide support for:

- Data and accountability
- Technology and distance learning
- Professional development

The CDE uses the considerations specified in WIOA Section 231(e) to fund eligible providers. Through an RFA process, agencies must provide narrative detail to demonstrate how they will meet each consideration. The CDE monitors successful applicants through a system of reviewing online deliverables and onsite visits for the following:

1. Needs Assessment: The degree to which the provider is responsive to (A) regional needs as identified in the Local Plan under WIOA Section 108; and (B) serving individuals in the community who are identified in such Local Plan as most in need of adult education and literacy activities, including individuals who have low levels of literacy skills, or who are English Language Learners.
2. Serving Individuals with Disabilities: The degree to which the provider is able to serve eligible individuals with disabilities, including eligible individuals with learning disabilities.
3. Past Effectiveness: The degree to which the provider demonstrates past effectiveness in improving the literacy of eligible individuals to meet state–adjusted levels of performance for the primary indicators of performance described in WIOA Section 116, especially with respect to eligible individuals who have low levels of literacy.

4. Alignment with AJCC Partners: The degree to which the eligible provider demonstrates alignment between proposed activities and services and the strategy and goals of the Local Plan under WIOA Section 108, as well as the activities and services of the one-stop partners.
5. Flexible Scheduling: The degree to which the eligible provider's program is of sufficient intensity and quality and based on the most rigorous research available so that participants achieve substantial learning gains, and uses instructional practices that include the essential components of reading instruction.
6. Evidence-Based Instructional Practices and Reading Instruction: The degree to which the eligible provider's activities, including reading, writing, speaking, mathematics, and ELA instruction, are based on the best practices derived from the most rigorous research available, including scientifically valid research and effective educational practice.
7. Effective Use of Technology and Distance Learning: The degree to which the eligible provider's activities effectively use technology, services, and delivery systems, including distance education in a manner sufficient to increase the amount and quality of learning and how such technology, services, and systems lead to improved performance.
8. Facilitate Learning in Context: The degree to which the eligible provider's activities offer learning in context, including through integrated education and training, so that an individual acquires the skills needed to transition to and complete postsecondary education and training programs, obtain and advance in employment leading to economic self–sufficiency, and exercise the rights and responsibilities of citizenship.
9. Qualified Instructors and Staff: The degree to which the eligible provider's activities are delivered by well–trained instructors, counselors, and administrators who meet any minimum qualifications established by the state, where applicable, and who have access to high quality professional development, including through electronic means.
10. Partnerships and Support Services for Development of Career Pathways: The degree to which the eligible provider's activities coordinate with other available education, training, and social service resources in the community, such as by establishing strong links with elementary schools and secondary schools, postsecondary educational institutions, institutions of higher education, Local Boards, one–stop centers, job training programs, and social service agencies, business, industry, labor organizations, community-based organizations, nonprofit organizations, and intermediaries, for the development of career pathways.
11. High Quality Information and Data Collection System: The degree to which the eligible provider maintains a high–quality information management system that has the capacity to report measurable participant outcomes (consistent with WIOA Section 116) and to monitor program performance.
12. Integrated English Literacy and Civics Education: The degree to which the eligible provider has a demonstrated need for additional ELA programs and civics education programs.

Successful applicants are given the opportunity to continue to receive funds through a simplified reapplication process for 2021-22 and 2022-2023. Only those grantees in good standing are allowed to reapply for continued funding.

II. DESCRIBE HOW THE ELIGIBLE AGENCY WILL ENSURE DIRECT AND EQUITABLE ACCESS TO ALL ELIGIBLE PROVIDERS TO APPLY AND COMPETE FOR FUNDS AND HOW THE ELIGIBLE

AGENCY WILL ENSURE THAT IT IS USING THE SAME GRANT OR CONTRACT ANNOUNCEMENT AND APPLICATION PROCEDURE FOR ALL ELIGIBLE PROVIDERS

The CDE developed internal processes to ensure that there is direct and equitable access to the grant funds. All currently funded providers, public adult schools listed in the current California Public School Directory, and all other identified eligible agencies receive a grant or contract application notification by e-mail. This includes all known community-based organizations, community colleges, libraries, literacy councils, public housing authorities, and any other provider that is eligible pursuant to WIOA Section 203(5). In addition to the general distribution of WIOA Sections 225, 231, and/or 243 application notifications, CDE will post a notice of the availability of funding on the website maintained by the Outreach and Technical Assistance Network. In addition, the CDE provides application information at conferences, workshops, and other activities attended by potential providers.

The CDE requires all eligible providers for WIOA Sections 225, 231, and/or 243 to use the same application process. This ensures that all applications are evaluated using the same rubric and scoring criteria. Statewide leadership activities are provided through contracted service providers in compliance with state contracting requirements. The CDE has also developed interagency agreements with the CDCR, DDS, and the California Youth Authority to provide the appropriate and necessary services for institutionalized adults.

The CDE ensures that all eligible providers have direct and equitable access to apply for grants or contracts. It also ensures that the same grant or contract announcement, application, and proposal process is used for all eligible providers. During the initial period of the grant submission process, any eligible agency that contacts CDE with an interest in participating will be provided the information needed. The CDE sends notification of availability of applications to all potential new adult education providers in the years when the RFA is open to new applicants. The CDE believes that these approaches meet the requirements specified in WIOA Title II and is satisfied that every effort is made to ensure direct and equitable access.

C. VOCATIONAL REHABILITATION PROGRAM

A state may be designated as a combined agency, which serves all individuals with disabilities in the state; a general agency, which serves all individuals with disabilities, except those who are blind or visually impaired; or as a state agency for the blind, which provide services only for individuals who are blind or visually impaired. The DOR is designated as a combined agency and, therefore, does administer its vocational rehabilitation program and does not disburse its funds to separate agencies.

6. PROGRAM DATA

A. DATA ALIGNMENT AND INTEGRATION

Data Alignment and Integration

Due to the size and complexity of California's workforce and education systems, the state does not utilize a one-size fits all tool for achieving data alignment and integration. Rather California utilizes a dual approach of front-end integration through the common intake form and back end integration through CAAL-Skills. Both of which work by pooling data from the Title I, Title II, Title III, and Title IV case management and reporting mechanisms - CalJOBS, TOPSpro Enterprise, and AWARE.

Common Intake Form

As outlined in, Workforce Services Directive WSD19-09, California encourages planning across multiple partner programs to ensure alignment in service delivery and leveraging of resources

for maximum benefit to WIOA participants. Co-enrollment is a means to establish effective partnerships across WIOA core programs and other workforce providers, including community-based organizations to provide a mix of services to individuals to meet their employment, education, and training needs.

A statewide co-enrollment workgroup comprised of WIOA core partners, strategic State Plan partners, and regional and local service providers was established to develop strategies to improve alignment for intake, referral, and case management across programs. One of the strategies identified included gathering and assessing various partner programs' intake forms and other sample forms to identify common data elements. The intent was to work jointly to identify the common elements to create tools that would assist WIOA program participants by: streamlining service delivery; maximizing the benefit of multiple support systems; and curbing redundant administrative processes. Partners established a common understanding that in order to advance a whole-person approach to service delivery, it was important to take stock of each respective partners' internal processes. Following an assessment of dozens of program intake forms, a sample document was created by Hanover Research identifying the most common data elements across all sample forms. The co-enrollment workgroup adopted this document as the starting point for developing a statewide workforce common intake form.

As a product of the co-enrollment workgroup, the CalASSIST project has been created; CalASSIST promotes a no wrong door policy through the creation of a data exchange platform that creates a bridge between the partner programs' unique data systems. CalASSIST transfers common intake information (approximately 30 data elements) collected from program participants, and automatically generates referrals to other partner programs the individual may be eligible for. The key features of CalASSIST includes:

- Simplify Intake: Enables the individuals to provide 30+ common data elements once for all partner programs.
- Automated Referrals and Collaboration: Referral records are automatically sent to partners with the ability for real-time status updates and collaboration.
- Real-Time Analytics: Common intake and referral data across all programs is captured and can be reported on.

Phase 1 of the CalASSIST project has started, with the funneling of data from CalJOBS℠ to CalASSIST. Once in CalASSIST, the data will be available for the partner programs, and the platform will generate referrals to the appropriate partner programs.

Title I and Title III

The CalJOBS℠ system serves as the official system of record for federally required data for the following programs:

- Title I Adult
- Title I Dislocated Worker
- Title I Youth
- Title III Wagner-Peyser
- Jobs for Veterans State Grant
- Trade Adjustment Assistance
- National Dislocated Worker Grant

To ensure compliance with the performance accountability measures outlined in WIOA Section 116, the EDD issued Workforce Services Directive WSD19-03, which provides performance guidance related for all programs using the CalJOBS℠ system.

To ensure the quarterly and annual participant data submitted to the DOL is accurate, the EDD issued Workforce Services Directive WSD18-02 to outline the process AJCC staff must take to correct data in the CalJOBS℠ system. The EDD informs all AJCC staff of the year-end reporting schedule to ensure all supplemental data is entered, and that performance data is reviewed prior to the annual report submission.

Title II

Assessment and accountability services for the Title II program are provided through TOPSpro Enterprise. TOPSpro Enterprise is a database designed to accurately measure progress, mastery of skills, and competencies needed to both complete, and advance one or more EFLs. It automates scoring, collects student demographic data, tracks agency and individual student performance, generates reports, and aggregates data for state and federal year-end reports.

Features of the data system and relevant processes include the following:

- TOPSpro Enterprise is used to collect and report all student progress and outcome measures, and for collecting information for federal and state annual reporting.
- The system provides student, class, and program reports that enable local providers to have immediate access to the data for targeting instruction for continuous program improvement.
- The local data is submitted quarterly and annually to the California Department of Education for monitoring and aggregation into state and federal reports.
- TOPSpro Enterprise records each student's goals on entering a class, as well as their educational outcomes.
- Assessment may be formal (e.g., a written test), or informal (e.g., teacher observation of student performance through a check competencies mastered).

The data collected consists of measurable skill gains in the following programs areas: ELA, ASE, and ABE. The data collection process begins with program staff at agencies funded by the AEFLA inputting the data on a daily basis at each site during the program year. Each week the data collected from AEFLA funded agencies is aggregated at a statewide level. The annual data aggregation and data validation begins August 1st of each year. The purpose of the annual data aggregation and validation process is to compile state and federal year-end reports due annually, by October 1st.

Title IV

DOR utilizes a case management system known as the AWARE. In addition to WIOA data reporting, the AWARE system has a financial component utilized for federal reporting requirements. The system contains consumer data, case notes, and information regarding goods/services for consumers.

Data are collected and inputted in-house by VR staff located statewide in 13 geographic districts. DOR continues to train staff on the current processes, and new processes as needed, and use AWARE to collect WIOA data. DOR collects and reports summary data in a federally mandated format called the RSA Case Service Report. The RSA-911 report is submitted quarterly for the preceding quarter of the fiscal year by each state's VR agency.

DOR continues to engage with workforce partners to determine how to unite data and share it across programs. DOR will continue to engage in conversations on data sharing and efforts currently underway to improve data sharing efforts.

CAAL-Skills

California has continued to work on the CAAL-Skills Program. The purpose of CAAL-Skills is to unite workforce system partners in a program that enables a holistic yet statistically rigorous assessment of California's workforce system. CAAL-Skills enables the evaluation of workforce programs individually and collectively at the regional level through the assessment of outcomes (e.g., employment, wages and education/training attainment).

The California Policy Lab, comprised of research and data science experts from UCLA and UC Berkeley, has been engaged by the CWDB to evaluate the data provided by CAAL-Skills partners in fulfillment of the federal requirements outlined in WIOA Section 116.

Current data sharing partners include:

- Department of Industrial Relations-Division of Apprenticeship Standards
- Community Colleges Chancellor's Office
- Employment Training Panel
- Department of Social Services
- Employment Development Department
- Department of Education
- Department of Corrections and Rehabilitation
- Department of Rehabilitation
- Pilot counties for Department of Social Services (Napa, Monterey, Stanislaus)

Although CAAL-Skills provides the ability to collect, store and analyze workforce-related information, it does not include a user-friendly interface or web-portal to help individuals identify those workforce development, training and related-education program that best suits their needs. CAAL-Skills also does not include an electronic interface with other longitudinal data systems at this time. Therefore, the CWDB received federal grant funding from DOL to create:

- A user-friendly public interface (via a web portal), including an interactive dashboard and query tool, that will help workforce system customers and potential customers select the workforce development, training and related education programs that best suit their needs; and,
- A technical interface that will facilitate the exchange of information with other longitudinal systems. The interface proposed, will establish the technical infrastructure that will provide interface options allowing the transfer of data between CAAL-Skills and other systems.

CWDB is in the process of developing the CAAL-Skills web portal and also establishing the infrastructure to facilitate the exchange of data securely with other systems using the DOL grant fund.

California also recently invested $10 million toward planning efforts for the creation of a statewide education data system that will follow children from infancy through the workplace. This includes establishing a Cradle to Career (C2C) Data Systems Working Group to recommend

data system structural components, processes, and options as well as advice ongoing efforts to develop, administer, and enhance the data system. CWDB staff are participating in these discussions for the purpose of exploring potential interface with the CAAL-Skills program.

Data Alignment and Integration

Due to the size and complexity of California's workforce and education systems, the state does not utilize a one-size fits all tool for achieving data alignment and integration. Rather California utilizes a dual approach of front-end integration through the common intake form and back end integration through CAAL-Skills. Both of which work by pooling data from the Title I, Title II, Title III, and Title IV case management and reporting mechanisms - CalJOBS, TOPSpro Enterprise, and AWARE.

Common Intake Form

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A statewide co-enrollment workgroup comprised of WIOA core partners, strategic State Plan partners, and regional and local service providers was established to develop strategies to improve alignment for intake, referral, and case management across programs. One of the strategies identified included gathering and assessing various partner programs' intake forms and other sample forms to identify common data elements. The intent was to work jointly to identify the common elements to create tools that would assist WIOA program participants by: streamlining service delivery; maximizing the benefit of multiple support systems; and curbing redundant administrative processes. Partners established a common understanding that in order to advance a whole-person approach to service delivery, it was important to take stock of each respective partners' internal processes. Following an assessment of dozens of program intake forms, a sample document was created by Hanover Research identifying the most common data elements across all sample forms. The co-enrollment workgroup adopted this document as the starting point for developing a statewide workforce common intake form.

As a product of the co-enrollment workgroup, the CalASSIST project has been created; CalASSIST promotes a no wrong door policy through the creation of a data exchange platform that creates a bridge between the partner programs' unique data systems. CalASSIST transfers common intake information (approximately 30 data elements) collected from program participants, and automatically generates referrals to other partner programs the individual may be eligible for. The key features of CalASSIST includes:

- Simplify Intake: Enables the individuals to provide 30+ common data elements once for all partner programs.
- Automated Referrals and Collaboration: Referral records are automatically sent to partners with the ability for real-time status updates and collaboration.
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To ensure compliance with the performance accountability measures outlined in WIOA Section 116, the EDD issued Workforce Services Directive WSD19-03, which provides performance guidance related for all programs using the CalJOBS℠ system.

To ensure the quarterly and annual participant data submitted to the DOL is accurate, the EDD issued Workforce Services Directive WSD18-02 to outline the process AJCC staff must take to correct data in the CalJOBS℠ system. The EDD informs all AJCC staff of the year-end reporting schedule to ensure all supplemental data is entered, and that performance data is reviewed prior to the annual report submission.

Title II

Assessment and accountability services for the Title II program are provided through TOPSpro Enterprise. TOPSpro Enterprise is a database designed to accurately measure progress, mastery of skills, and competencies needed to both complete, and advance one or more EFLs. It automates scoring, collects student demographic data, tracks agency and individual student performance, generates reports, and aggregates data for state and federal year-end reports.

Features of the data system and relevant processes include the following:

- TOPSpro Enterprise is used to collect and report all student progress and outcome measures, and for collecting information for federal and state annual reporting.
- The system provides student, class, and program reports that enable local providers to have immediate access to the data for targeting instruction for continuous program improvement.
- The local data is submitted quarterly and annually to the California Department of Education for monitoring and aggregation into state and federal reports.
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Title IV

DOR utilizes a case management system known as the AWARE. In addition to WIOA data reporting, the AWARE system has a financial component utilized for federal reporting requirements. The system contains consumer data, case notes, and information regarding goods/services for consumers.

Data are collected and inputted in-house by VR staff located statewide in 13 geographic districts. DOR continues to train staff on the current processes, and new processes as needed, and use AWARE to collect WIOA data. DOR collects and reports summary data in a federally mandated format called the RSA Case Service Report. The RSA-911 report is submitted quarterly for the preceding quarter of the fiscal year by each state's VR agency.

DOR continues to engage with workforce partners to determine how to unite data and share it across programs. DOR will continue to engage in conversations on data sharing and efforts currently underway to improve data sharing efforts.

CAAL-Skills

California has continued to work on the CAAL-Skills Program. The purpose of CAAL-Skills is to unite workforce system partners in a program that enables a holistic yet statistically rigorous assessment of California's workforce system. CAAL-Skills enables the evaluation of workforce programs individually and collectively at the regional level through the assessment of outcomes (e.g., employment, wages and education/training attainment).

The California Policy Lab, comprised of research and data science experts from UCLA and UC Berkeley, has been engaged by the CWDB to evaluate the data provided by CAAL-Skills partners in fulfillment of the federal requirements outlined in WIOA Section 116.

Current data sharing partners include:

- Department of Industrial Relations-Division of Apprenticeship Standards
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Although CAAL-Skills provides the ability to collect, store and analyze workforce-related information, it does not include a user-friendly interface or web-portal to help individuals identify those workforce development, training and related-education program that best suits their needs. CAAL-Skills also does not include an electronic interface with other longitudinal data systems at this time. Therefore, the CWDB received federal grant funding from DOL to create:

- A user-friendly public interface (via a web portal), including an interactive dashboard and query tool, that will help workforce system customers and potential customers select the workforce development, training and related education programs that best suit their needs; and,
- A technical interface that will facilitate the exchange of information with other longitudinal systems. The interface proposed, will establish the technical infrastructure that will provide interface options allowing the transfer of data between CAAL-Skills and other systems.

CWDB is in the process of developing the CAAL-Skills web portal and also establishing the infrastructure to facilitate the exchange of data securely with other systems using the DOL grant fund.

California recently invested $10 million toward planning efforts for the creation of a statewide education data system that will follow children from infancy through the workplace. This includes establishing a Cradle to Career (C2C) Data Systems Working Group to recommend data system structural components, processes, and options as well as advice ongoing efforts to develop, administer, and enhance the data system. CWDB staff are participating in these discussions for the purpose of exploring potential interface with the CAAL-Skills program.

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B. ASSESSMENT OF PARTICIPANTS' POST-PROGRAM SUCCESS

In addition to existing the performance measures outlined in WIOA, California will be exploring the creation of new performance measures that look at medium- and long-term outcomes for participants in an effort to further incentivize the placement of participants in long term career pathways rather short term employment. The new measures could potentially involve the tracking of wages, employment, and credential attainment further down the road than the 2nd and 4th quarter post-exit.

After further consultation with the CWDB Statewide Partnerships team, we added the following information:

The approach adopted by California to assess its programs remains unchanged but significant progress has been made. The State is continuing to refine its new performance measures and the variables to be collected across all programs. New variables of interest that are included in the developing standardized data dictionary include wages, occupation, education placement, credential attainment, and retention tracking. The State has been working closely with internal and external researchers and evaluators to develop a framework for measuring job quality, equity, and climate resiliency that includes participant baseline data through long-term outcome data from wage records and follow-up reporting across each program. The State continues to refine and solidify its assessment framework(s) and standardized metrics for each of its programs.

A broad question asked in all CWDB assessments and evaluations seek is the effectiveness of workforce development trainings that are provided through the different CWDB grants and programs, generally and for various sub-populations. The standard approach taken in all CWDB evaluation is the following:

- For post-secondary credentials, the CWDB research team accesses the CalJOBs system that collects information from grantees about post-secondary credentials. Such information is also provided to all current third-party evaluators when they develop assessments that include post-secondary credentials. Additionally, such information is collected from grantees in supplemental reports, which also is provided to third-party evaluators. Also, in the CAAL-Skills project, with partners who directly deal with post-secondary credentials, steps are now being taken to explicitly identify the progress a participant makes towards acquisition of different types of credentials. For example, when working with Title II adult education partners, the CAAL-Skills focus on assessment will be relatively more toward adult education success measures such as short-term career and technical education (CTE) certificates and other forms of credential attainment. Not only for the Title II program, but other CAAL-Skills partners, the future impact analysis conducted by a third-party evaluator will focus on analyzing post-secondary credentials.
- For employment and wages, the CWDB is able to access the administrative wage records at EDD for participants in workforce development trainings that are provided through the different CWDB grants and programs. In addition, information about other labor market information such as jobs and occupations is collected through supplemental reports.

Looking to the future, the State intends to move towards a common and general approach to assessment when it comes to post-secondary credentials, employment and wages. First, with CAAL-Skills moving to the cloud, it makes it easier to create a single analytical database that allows for developing and accessing assessment results around post-secondary credentials, employment and wages.

Second, the State has an opportunity to collaborate on the Regional Equity and Recovery Partnership (RERP) Grant with the California Community Colleges Chancellor's Office (CCCCO) to collect post-secondary credential data. CWDB and CCCCO are jointly working on developing a common set of post-secondary credentials, employment and wages and having grantees submit this information through a common portal. Also, a technical assistance and an evaluation request for application (RFA) has been issued for assessing the RERP grant.

Third, as part of the 2020-21 Governor's budget, a community college data infrastructure project has been funded that is jointly managed by the Labor and Workforce Development Agency (LWDA) and the CCCCO. The intent of why the legislature is requesting this effort to standardize, align, and create an culture of informed evidentiary success by combining efforts across the two largest workforce development state agencies, LWDA and CCCCO. The broad goal for the community college data infrastructure funding is to create a new and sustained culture of shared vision alignment at the state, regional, and local levels that allows for real-time evidentiary data through a web interface, an integrated dashboard that show education and workforce development success metrics, and the conducting of joint data analytics across the two systems.

In sum, whether it is using the current CAAL-Skills database in the cloud or the future LWDA-CCCCO consolidated data infrastructure project, will allow the conduct of joint analytics that shed light on continuous improvement with education and workforce programs implemented at the local and regional levels by community colleges and workforce development boards. Generally, through the efforts described above, the State can start putting in place the building of structures that support an equitable and resilient economy where to the fullest extent possible, opportunities are provided for low-wage workers, communities of color, and those who have been historically left behind, making them increasingly economically mobile within an ever-changing local, regional, state, national and global economy.

C. USE OF UNEMPLOYMENT INSURANCE (UI) WAGE RECORD DATA

As part of the administration of the Unemployment Insurance program, the EDD is responsible for gathering and maintaining information in the Base Wage File, which is the repository for the wage data submitted by employers. The wage data is comprised of the Social Security Numbers (SSN) and names, which employers receive from their employees, and the quarterly wages and withholdings attributed to those SSNs. The CUIC stipulates that information obtained in the administration of the CUIC must remain confidential and is not open to public disclosure, unless there is an exception in state law. Most of the exceptions are listed under CUIC Section 1095 and have been narrowly crafted to ensure confidential information is made available only when a strong justification has been demonstrated.

Local Boards and WIOA core program partner agencies are listed as a formal exception under CUIC Section 1095 and therefore have ongoing access to base wage file data of their participants in order to monitor the performance outcomes required under WIOA Section 116. This access allows Local Boards and partners to understand their performance at both a program and participant level, which enables them to make adjustments, as necessary, to improve their overall program performance.

California is also participating in the State Wage Interchange System (SWIS), the new WIOA-based data exchange for states to obtain and provide base wage information to each other. This will allow California to exchange interstate quarterly wage records with any other state participating in the SWIS in accordance with WIOA Section 116.

D. PRIVACY SAFEGUARDS

California maintains strict adherence to all federal confidentiality requirements, including those related to sharing student data under the Family Educational Rights and Privacy Act (FERPA) and sharing wage data under the Federal Unemployment Tax Act (FUTA).

FERPA

The FERPA protects the privacy of student education records and applies to all schools that receive funds under an applicable program of the United Stated Department of Education.

Generally, schools must have written permission from the parent in order to release any information from a student's education record. These rights transfer to the student when he or she reaches the age of 18 or attends a school beyond the high school level.

When conducting data driven evaluations of the workforce and education systems, California utilizes the legal exemption that allows for disclosure of personally identifiable information when it's to an authorized representative of a state educational authority for the purpose of audit or evaluation of federal or state education programs.

FUTA

Under FUTA, information obtained in the administration of a state's unemployment insurance law, such as employer, claim, and wage information, is not subject to public disclosure, with some exceptions. These exceptions include, but are not limited to, information in the public domain, appeals records, appeals decisions, and precedential determinations on the coverage of employers, employment, and wages.

California law states information obtained in the administration of the CUIC must remain confidential and is not open to public disclosure, unless there is a statutory exception in state law. Most of the exceptions are listed under CUIC Section 1095 and have been narrowly crafted to ensure confidential information is made available only when a strong justification has been demonstrated. Local Boards and WIOA core program partner agencies are listed as a formal exception under CUIC Section 1095 and therefore have ongoing access to base wage file data for their participants in order to monitor the performance outcomes required under WIOA Section 116.

CAAL-Skills

Since the CAAL-Skills project involves data from multiple government partners, along with crafting data sharing agreements that adhere to all federal and state confidentially law, additional privacy measures were put in place to protect participant data. This includes, but is not limited to, the following:

- Data is personally transferred between partner locations on a password protected USB drive with a 256 bit encryption.
- While at the CWDB, physical security is provided via a controlled access to the server that is locked in place through the use of a security cable.
- CAAL-Skills is located within its own environment, where the data is encrypted and not connected to an outside network.
- Those with access to the sections of CAAL-Skills that contain personally identifiable information do so through the use of privacy screens on their computers and have gone through a series of background checks, have signed confidentiality agreements and are required to complete annual information security and privacy training.

CAAL-Skills is in the process of migrating the project to a tier 2 data center on the Cloud. Amazon Web Services (AWS) Cloud will be utilized to migrate the data. All the security controls specified in the NIST-800 and FIPS-199 will be followed to encrypt, secure and provide access to the CAAL-Skills data.

7. PRIORITY OF SERVICE FOR VETERANS

As outlined in Workforce Services Directive WSD19-04, program operators are required to provide priority of service to veterans and eligible spouses for all WIOA and Wagner-Peyser funded activities, including technology–assisted activities. Priority of service means that

veterans and eligible spouses are entitled to take precedence over non-covered persons in obtaining employment, training, and placement services.

In implementing priority of service, program operators must ensure veterans and eligible spouses receive basic career services and individualized career services before other non-covered individuals. Additionally, they must ensure veterans and eligible spouses receive first priority on waiting lists for training slots, and are enrolled in training prior to non-covered persons. However, once a non-covered participant is enrolled in a workshop or training class, priority of service is not intended to allow a veteran or eligible spouse to bump the non-covered participant from that class or service.

Program operators must ensure that all sub recipients of DOL funds apply priority of service. This means that pertinent language should be included in contracts, sub grants, solicitations for proposals, memorandums of understanding, and other service provision agreements.

The state conducts annual monitoring of Local Boards to ensure they are in compliance with WIOA eligibility requirements, this includes implementation of veterans priority of service policies. Local Boards are also required to monitor their service providers to ensure compliance with veteran's priority of services requirements. Veteran Program Managers, JVSG staff, and USDOL-VETS are available to provide technical assistance when requested.

Applying Priority of Service

The application of priority of service varies depending on the eligibility requirements of the particular program. There are four basic categories of DOL-funded programs: universal access programs, programs that require participants to meet specified eligibility criteria, programs with statutory priorities, and programs with discretionary priorities. A detailed description of how priority of service applies to these basic types of programs is outlined in Workforce Services Directive WSD19-04.

Local Policy and Procedures

Program Operators must establish policy and procedures for implementing priority of service for veterans and eligible spouses within existing service delivery strategies. Local policies must ensure that veteran and eligible spouses are identified at the point of entry and given an opportunity to take full advantage of priority of service. These policies must ensure that veterans and eligible spouses are aware of their entitlement to priority of service, the full array of employment, training, and placement services available under priority of service, and any applicable eligibility requirements for those programs and/or services. Additionally, program operators must ensure that written copies of local priority of service policies are maintained at all service delivery points and, to the extent practicable, posted in a way that makes it possible for members of the general public to easily access them.

Referral Process

Disabled Veteran Outreach Program (DVOP) specialists are integrated into the AJCC service delivery model. In this model, veterans are initially identified through self-attestation during registration for service. On a priority of service basis, an AJCC staff member determines the eligible person's purpose for registering.

Once the veteran or other eligible person is identified, the Veteran Service Navigator conducts an initial assessment. This initial assessment uses a customized intake questionnaire to help determine if the veteran or other eligible person has a significant barrier to employment (SBE) or if they are a member of another special priority group. If a determination is made that the client is a veteran with a SBE or other special criteria, they are referred to the DVOP specialist for further assessment and individualized career services. Those veterans determined not to

possess a SBE are provided career services and training as needed by the AJCC staff on a priority of service basis.

8. ADDRESSING THE ACCESSIBILITY OF THE ONE-STOP DELIVERY SYSTEM FOR INDIVIDUALS WITH DISABILITIES

As outlined in Workforce Services Directive WSD17-01, all WIOA Title I-financially assisted programs and activities must be programmatically accessible. This includes providing reasonable accommodations for individuals with disabilities, making reasonable modifications to policies, practices, and procedures, administering programs in the most integrated setting appropriate, communicating with persons with disabilities as effectively as with others, and providing appropriate auxiliary aids or services, including assistive technology devices and services, where necessary to afford individuals with disabilities an equal opportunity to participate in, and enjoy the benefits of, the program or activity.

In addition, the CWDB has established interagency partnership agreements with the Department of Rehabilitation, Department of Developmental Services, and Department of Education focused on improving the access to and quality of services for people with disabilities within the one stop system. These partnership agreements contain goals that all the departments have agreed to work together on over the next two years in an effort to help support further collaboration and service integration at the local level. The various goals fall under topic areas such as co-enrollment, supportive services, and employer engagement.

AJCC Certification Policy

In accordance with WIOA Section 121(g), Local Boards must select an evaluation panel(s) to perform an independent and objective evaluation of the AJCCs in their Local Areas once every three years using criteria and procedures established by the CWDB. The Local Board can choose to add additional certification criteria tailored to the needs of their Local Area, but they may not remove or replace any of the federal or state criteria.

Local Boards have maximum flexibility to conduct an AJCC Certification through an on-site, remote/virtual, or desk review evaluation due to COVID-19 and must meet the requirements of the Workforce Services Directive WSD20-08. The certification process for comprehensive and affiliate/specialized AJCCs has been conducted during PY 2021-22, and takes effect on January 1, 2022.

Baseline Certification

The Baseline AJCC Certification is intended to ensure that every comprehensive, specialized and affiliate AJCC is in compliance with key WIOA statutory and regulatory requirements.

Comprehensive AJCC - Baseline Certification

The following requirements must be met in order for a comprehensive AJCC to receive Baseline AJCC Certification:

- Each Local Board and partner within the affiliate/specialized AJCC has a signed and implemented MOU with the Local Board meeting the requirements in WSD18-12.
- The AJCC has implemented the board-defined roles and responsibilities of the AJCC Operator and Title I Adult and Dislocated Worker Career Services Provider (i.e., an AJCC Operator and Career Services Provider is in place and functioning within the AJCC).
- The AJCC complies with equal opportunity for individuals with disabilities in accordance with the ADA, WIOA Section 188, Title 29 CFR Part 38, and all other applicable federal and state guidance.

- The AJCC meets all regulatory requirements to be considered a comprehensive AJCC as identified in the WIOA Joint Final Rule Section 678.305.

Affiliate/Specialized AJCC - Baseline Certification

The following requirements must be met in order for an affiliate/specialized AJCC to receive Baseline AJCC Certification:

- Each Local Board and partner within the affiliate/specialized AJCC has a signed and implemented MOU with the Local Board meeting the requirements in WSD18-12.
- The affiliate/specialized AJCC complies with equal opportunity for individuals with disabilities in accordance with the ADA, WIOA Section 188, Title 29 CFR Part 38, and all other applicable federal and state guidance.

AJCC Certification Indicator Assessment

In order to highlight areas where AJCCs can continuously improve their service delivery, the AJCC Certification Workgroup identified seven AJCC Certification Indicators to measure continuous improvement for all AJCCs.

The AJCC Certification Indicators are as follows:

- The AJCC ensures universal access, with an emphasis on individuals with barriers to employment.
- The AJCC actively supports the One-Stop system through effective partnerships.
- The AJCC provides integrated, customer-centered services.
- The AJCC is an on-ramp for skill development and the attainment of industry-recognized credentials which meet the needs of targeted reginal sectors and pathway.
- The AJCC actively engages industry and labor and supports regional sector strategies through an integrated business service strategy that focuses on quality jobs.
- The AJCC has high-quality, well-informed, and cross-trained staff.
- The AJCC achieves business results through data-driven continuous improvement.

The AJCC Certification Indicator Assessment provides a description of each Certification Indicator along with examples of criteria. The assessment requires a full rationale for each Certification Indicator provided. The Local Board may establish additional criteria, or set higher standards for continuous improvement than those suggested by the state criteria above.

Once the AJCC Certification Indicator Assessment is completed, the Local Board must use the recommendations and evaluations from the assessment to create a continuous improvement plan for the AJCC. Since Local Boards oversee the AJCC system within the Local Workforce Development Area, the AJCC Continuous Improvement Plan should be developed locally in coordination with the Local Board, AJCC Operator, and in alignment with the agreed upon goals and objectives within the established Regional and Local Plans and MOUs to drive continuous improvement for the AJCC system. The continuous improvement plan does not need to be submitted with the Baseline Criteria Matrix and the AJCC Certification Indicator Assessment.

Staff Training and Capacity Building

At the local level, staff training in the Local Areas for nondiscrimination and equal opportunity is the responsibility of the Local Equal Opportunity (EO) Officers. Since the DOR is a required partner at the comprehensive AJCCs, the Local Areas also can utilize their partnership as a

resource. The EDD's Equal Employment Office (EEO) also provides technical assistance for the Local Areas regarding questions of physical and programmatic accessibility.

At the state level, California utilized a portion of WIOA statewide funds to support the development of a California Training Model to build the capacity of the workforce system statewide and awarded each RPU funds to implement capacity building and professional development for front line staff. Local Boards within each RPU worked collaboratively to hire/designate a RTC to coordinate the implementation of the RPU's Regional Training Plan. Each RPU's RTC worked with the California Workforce Association (the RPI Technical Assistance provider) to conduct a needs assessment for regional capacity building. The needs assessment resulted in the California Training Initiative (CTI), a comprehensive list of trainings, facilitations, and consulting services, procured to allow regions greater access to sources of professional development. The following disability-related trainings were available from CTI vendors:

- Organizational Access for Customers with Disabilities
- Strategies for Serving Customers with Psychiatric Disabilities
- The Job Development Disability Employment Law Connection
- Disability Means Employability
- Accessibility of the AJCC with regard to individuals with disabilities
- Coordination in Service Target Populations: Persons with Disabilities
- Disability Awareness and Sensitivity Training

At the State level, the Collaborative Statewide Training Team (CSTT) was established with membership from the CWDB, EDD, DOR, and CWA. This team meets bi-monthly to develop a shared calendar of professional development and training opportunities and coordinate efforts to train workforce staff and partners. As part of the CSTT efforts the following disability related trainings were delivered by DOR throughout California:

- Disability Awareness and Sensitivity Training (e.g. disability etiquette and diversity training)
- Program Services (e.g. ADA basics, serving customers with disabilities)
- Employment (e.g. consumer self-disclosure of disability and related barriers, working with individuals with hidden disabilities)
- Digital/Electronic Access and Physical Access (e.g. principles of accessible documents, creating accessible forms)
- Accessible Microsoft Office Documents
- Accessible PDF Documents 2.1
- Working with Individuals with Hidden Disabilities
- Practical Solutions to Reasonable Accommodations

Service Delivery

Local Boards, AJCCs, service providers, and local partners are actively engaged in improving and innovating their service delivery models to ensure they are improving service delivery models and outcomes for individuals with disabilities. Included below are a few examples of strategies that have been recently developed and implemented throughout the state:

- East Bay: Utilizes an Employer Situational Assessment, which is a working interview led by a Job Coach, where both parties can assess the fit of the employer with the participant without making a commitment until they are satisfied with their placement. This practice has led to a strong retention rate of individuals with disabilities at the Local Board.
- Golden Sierra: Conducts comprehensive assessments and provides pre-vocational training prior to placing participants in a work-based learning opportunity, which has helped reduce the drop-out rate and improve overall reemployment retention. Additionally, the Local Board facilitated in regular meeting with stakeholders to ensure a full range of employment services were available to eligible participants, and has dedicated a Business Engagement Team to help market participants to employers in high-growth industries.
- Humboldt: Co-locates a WIOA Coordinator at Yuba Community College who conducts outreach to various departments at the college, and has a dedicated computer lab for the WIOA sponsored students to access. The WIOA Coordinator advocates for the student participants, and assists them in acquiring housing and transportation.
- Jewish Vocational Services (JVS) SoCal: Partners with community colleges and non-profit agencies to place students and clients from other nonprofits into paid work experience, which helps to enhance the participant's skills, confidence, and employability, and further aligns the community colleges and JVS SoCal for seamless service delivery.
- Managed Career Solutions (MCS): Hosts quarterly Employability Partnership meetings, which includes sixteen disability coordinators from AJCCs in Los Angeles. At each meeting, a disability expert brings current information and training to the group. Additionally, MCS hosts an annual National Disability Employment Awareness Job and Research Fair each October, which connect potential workers with career opportunities.

In addition, DOR is co-located at many AJCC's to ensure individuals with disabilities experience "no wrong door" and are able to access the services they need. DOR makes VR services available to assist consumers to prepare for, secure, retain, or regain an employment outcome that is consistent with the individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice. As part of a consumer's vocational journey, DOR may provide support services such as transportation, childcare, and personal assistance services to support a consumer while they are working to obtain, maintain, retain, or advance in employment.

DOR has 85 offices located throughout the State that provide and arrange for services for DOR's consumers, including consumers located in remote or rural areas. DOR is increasing the availability of remote services, including tele-counseling, to serve consumers who are unable to access DOR offices and provide enhanced customer service for consumers. DOR is also piloting a new position called Community Resource Navigator to ensure community services are provided to all consumers, including consumers in rural or disadvantaged areas.

Compliance Monitoring Review Process

In California, the EDD is responsible for the oversight and monitoring of all WIOA Title I financially assisted state programs, including the compliance with nondiscrimination and equal opportunity requirements. Consequently, the EDD's EEO Office conducts annual onsite compliance monitoring reviews of all Local Areas following the process below.

The Compliance Monitoring Review Process includes the following six steps: notification, request for preliminary information, desk review, onsite compliance monitoring review, entrance conference, and exit conference. Note: Because of the travel and safety restrictions imposed due to the COVID-19 Pandemic, EDD's EEO Office is conducting desk reviews of all

Local Areas. Once these restrictions are lifted, the EEO Office plans to continue with onsite monitoring reviews.

1. Local Areas are notified approximately two to four weeks prior to EDD's EEO Office conducting onsite compliance review. Notifications are sent to the Local Area Director/Administrator, the Local EO Officer, and the EDD Regional Advisor assigned to the Local Area.
2. The notification will include a request for preliminary information and include the Compliance Monitoring Guide that EDD EEO Office staff will use to conduct the compliance monitoring review.
3. Preliminary information will be reviewed prior to the onsite visit to help identify potential items to be addressed during the onsite compliance monitoring review.
4. The onsite monitoring review will determine compliance with the WIOA nondiscrimination and equal opportunity requirements.
5. EDD EEO Office staff will meet with Local Area Directors/Administrators to discuss the scope of the review, make arrangements for client and staff interviews or file reviews, and discuss preliminary findings of the data analysis.
6. Immediately following the completion of the onsite compliance monitoring review, EDD EEO Office staff will conduct exit conference with Local Area Directors/Administrators and/or the Local Area EO Officer to discuss findings and clarify areas in question.

<u>Corrective Action Plan</u>

If areas of non-compliance are found, a Corrective Action Plan (CAP), which consists of a list of specific steps that the Local Area will take within a specific time period in order to attain compliance, must be instituted to rectify accessibility issues. The CAP includes the following steps:

1. The EDD EEO Office will issue an initial written report within 30 days of completion of the onsite compliance monitoring review to the Local Area Director/Administrator and to the Local EO Officer, and address areas of non-compliance and outline those areas that are found to be in compliance.
2. When areas of non-compliance are found, the EDD EEO Office will make recommendation(s) for corrective action(s) in the initial written report.
3. If the Local Area Director/Administrator or Local EO Officer agree with the recommendation(s) of the EDD EEO Office, a CAP must be forwarded to the EDD EEO Office within 30 days of the date the Local Area received the recommendation(s).
4. If the Local Area Director/Administrator or Local EO Officer disagree with the EDD EEO Office recommendation(s), they may contact the EDD EEO Office to attempt an informal resolution of the issue(s).
5. When an informal resolution is reached, a CAP must be forwarded to the EDD EEO Office within 30 days of the date the Local Area accepts the recommendation(s).
6. If an informal resolution is not reached, the State EO Officer will meet with the Local EO Officer and the appropriate management official for the Local Area to develop recommendations to bring the Local Area into full compliance.
7. Six months after the recommendations are implemented, a follow-up review may be scheduled to assess the progress made by the Local Area resolving the identified areas of noncompliance.

9. ADDRESSING THE ACCESSIBILITY OF THE ONE-STOP DELIVERY SYSTEM FOR INDIVIDUALS WHO ARE ENGLISH LANGUAGE LEARNERS

Limited English Proficiency Guidance

As outlined in Workforce Services Directive WSD17-03, in providing any aid, benefit, service, or training under a WIOA Title I-financially assisted program or activity, a recipient must not, directly or through contractual, licensing, or other arrangements, discriminate on the basis of national origin, including Limited English Proficiency (LEP).

Local Areas are required to take reasonable steps to ensure that LEP individuals have meaningful access to their programs and activities. Reasonable steps may include, but are not limited to, the following:

- Conducting an assessment of an LEP individual to determine their language assistance needs.
- Providing oral interpretation or written translation of both hard copy and electronic materials, in the appropriate non-English languages, to LEP individuals.
- Conducting outreach to LEP communities to improve service delivery in needed languages.
- Reasonable steps for providing meaningful access to training programs may include, but are not limited to the following:
    - Providing written training materials in appropriate non-English languages by written translation, or by oral interpretation, or summarization.
    - Providing oral training content in appropriate non-English languages through in-person or telephone translation.

Furthermore, Local Areas should ensure that every program delivery method, whether it be in person, electronic, or by phone, conveys in the appropriate language how an LEP individual may effectively learn about, participate in, and/or access any aid, benefit, service, or training available to them. It should also be noted that as new methods for the delivery of information or assistance are developed, Local Areas are required to take reasonable steps to ensure that LEP individuals remain able to learn about, participate in, and/or access any aid, benefit, service, or training available to them.

In order to ensure that reasonable steps are taken to allow meaningful access for LEP individuals, California highly recommends that Local Areas develop a written LEP plan. For languages spoken by a significant portion of the population eligible to be served or likely to be encountered, Local Areas must translate vital information in written materials into these languages. These translations must in turn be readily available upon request in hard copy or electronically. Local Areas address these accessibility issues by taking reasonable steps to ensure meaningful access for LEP Individuals, providing language assistance services, and interpreter services.

Pathways to Service Guidance

As outlined in Workforce Services Directive WSD18-03, California seeks to support economic growth by preparing a workforce for the state's employers, ensuring that the workforce system in California is inclusive of all populations, and promoting flexibility in how services are delivered across the state. The state issued guidance in an effort to assist Local Areas in collecting evidence of authorization to work and in providing important and valued services to

all individuals, including but not limited to, individuals with LEP, homeless individuals, ex-offenders, transient youth, and those engaged in citizenship attainment.

The guidance addresses verification of authorization to work documents, including which services require verification, when to ask, and where to refer individuals for additional services. This Directive also provides a pathway to services for those individuals who do not possess authorization to work documents. California seeks to prohibit discrimination and make workforce services accessible to all populations.

Dymally-Alatorre Bilingual Services Act

California's Dymally-Alatorre Bilingual Services Act requires state and local agencies serving a substantial number of non-English speaking people, to employ a sufficient number of qualified bilingual staff in public contact positions and to translate documents explaining available services into their clients' languages.

California English Language Learner Navigator Initiative

California also dedicated WIOA statewide funds to support an English Language Learner Navigator Initiative, which included an English Language Learner Navigator Pilot Program. These funds are intended to support projects that increase access for target populations, align WIOA programs, implement co-enrollment strategies, leverage other program funding, and provide supportive services for California's English Language Learner population.

Proposed Funding - Immigrant Workforce

Furthermore, the Governor Newsom's budget for PY 2022-23 proposes investing in innovative and evidence-based practices that increase immigrant participation in the labor market and in quality jobs, which in turn supports more stable communities, increased income and business tax revenue, and increased educational attainment and employment success for immigrant families and their children. These investments would alongside other investments to utilize the talent and innovation of immigrant Californians to meet critical gaps for the states' economy and further equity, including for the care economy and more.

The proposed budget allocates $60 million of one-time state funding to the Labor and Workforce Development Agency for the following purposes:

- Integrated Education and Training—$30 million to the Employment Development Department's Workforce Services Branch to expand the English Language Learner pilots in the Integrated Education and Training programs to 15 sites across the state. These programs will combine contextualized English language instruction with vocational skills training for in-demand occupations.
- Workforce Literacy—$20 million for the Employment Training Panel to expand workplace literacy training in contextualized English, digital skills, and technical skills training for incumbent workers. This will enable employers to build skilled workforces and increase employee retention and provide pathways to higher wages and better jobs for immigrants.
- California Youth Leadership Program Language Justice Pathway—$10 million to expand earn-and-learn community change career pathways for community college students through the California Youth Leadership Corps, a new statewide partnership between the Labor Agency, the Community Learning Partnership, selected California community colleges, local nonprofit organizations, and community partners.

IV. COORDINATION WITH STATE PLAN PROGRAMS

As part of the State Plan development process, the CWDB facilitated nearly twenty separate coordination meetings with the following WIOA core, required, and strategic state partners in 2019:

- Title II - Department of Education
- Title IV - Department of Rehabilitation
- Senior Community Service Employment Program - Department of Aging
- Carl D. Perkins V Program - State Board of Education, Department of Education, and California Community Colleges Chancellor's Office
- Temporary Assistance for Needy Families and Supplemental Nutrition Assistance Programs – Department of Social Services
- Child Support – Department of Child Support Services
- Corrections Workforce Programs – Department of Correction and Rehabilitation and California Prison Industry Authority
- Competitive Integrated Employment – Department of Education, Department of Rehabilitation, and Department of Developmental Services

The meetings served as a working forum to discuss realistic, achievable, and concrete ways to jointly implement the vision, objectives, and strategies of the State Plan. The meetings were also used to establish partnership agreements that provided a roadmap for establishing and expanding partnerships at the state, regional, and local levels. Each agreement was based on the same foundational framework and included goals associated with implementing one or more of the State Plan's seven strategies to ensure ongoing alignment of the various systems.

Unfortunately, after the State Plan was submitted in March 2020, emergence of the COVID-19 pandemic uprooted everything. Due to the critical services that CWDB and many of our partner's deliver, most pre-pandemic State Plan partnership activities were placed on hold in order to focus on meeting the immediate needs of the millions of Californian's whose lives were severely impacted by the pandemic.

As part of the State Plan Modification process the CWDB held another set of coordination meetings with the same WIOA core, required, and strategic state partners listed above in order to revisit and revise each partnership agreement in light of the last two years. Partners discussed the goals established in 2019 and decided whether to leave them the same, edit them, or replace them with new goals that the group felt were more appropriate in our current economic climate.

V. COMMON ASSURANCES (FOR ALL CORE PROGRAMS)

The State Plan must include	Include
1. The State has established a policy identifying circumstances that may present a conflict of interest for a State Board or local board member, or the entity or class of officials that the member represents, and procedures to resolve such conflicts;	Yes
2. The State has established a policy to provide to the public (including individuals with disabilities) access to meetings of State Boards and local boards, and information regarding activities of	Yes

The State Plan must include	Include
State Boards and local boards, such as data on board membership and minutes;	
3. The lead State agencies with optimal policy-making authority and responsibility for the administration of core programs reviewed and commented on the appropriate operational planning elements of the Unified or Combined State Plan, and approved the elements as serving the needs of the populations served by such programs;	Yes
4. (a) The State obtained input into the development of the Unified or Combined State Plan and provided an opportunity for comment on the plan by representatives of local boards and chief elected officials, businesses, labor organizations, institutions of higher education, the entities responsible for planning or administrating the core programs, required one-stop partners and the other Combined Plan programs (if included in the State Plan), other primary stakeholders, including other organizations that provide services to individuals with barriers to employment, and the general public, and that the Unified or Combined State Plan is available and accessible to the general public; (b) The State provided an opportunity for review and comment on the plan by the State Board, including State agency official(s) for the Unemployment Insurance Agency if such official(s) is a member of the State Board;	Yes
5. The State has established, in accordance with WIOA section 116(i), fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State through allotments made for the core programs to carry out workforce development activities;	Yes
6. The State has taken appropriate action to secure compliance with uniform administrative requirements in this Act, including that the State will annually monitor local areas to ensure compliance and otherwise take appropriate action to secure compliance with the uniform administrative requirements under WIOA section 184(a)(3);	Yes
7. The State has taken the appropriate action to be in compliance with WIOA section 188, Nondiscrimination, as applicable;	Yes

The State Plan must include	Include
8. The Federal funds received to carry out a core program will not be expended for any purpose other than for activities authorized with respect to such funds under that core program;	Yes
9. The State will pay an appropriate share (as defined by the State board) of the costs of carrying out section 116, from funds made available through each of the core programs;	Yes
10. The State has a one-stop certification policy that ensures the physical and programmatic accessibility of all one-stop centers with the Americans with Disabilities Act of 1990 (ADA);	Yes
11. Service providers have a referral process in place for directing Veterans with Significant Barriers to Employment (SBE) to DVOP services, when appropriate; and	Yes
12. Priority of service for veterans and eligible spouses is provided in accordance with 38 USC 4215 in all workforce preparation, development or delivery of programs or services funded directly, in whole or in part, by the Department of Labor.	Yes

VI. PROGRAM-SPECIFIC REQUIREMENTS FOR CORE PROGRAMS

PROGRAM-SPECIFIC REQUIREMENTS FOR ADULT, DISLOCATED WORKER, AND YOUTH ACTIVITIES UNDER TITLE I-B

A. GENERAL REQUIREMENTS

1. REGIONS AND LOCAL WORKFORCE DEVELOPMENT AREAS

Below is a list of California's 45 Local Workforce Development Areas (Local Areas) / Local Workforce Development Boards (Local Boards) and the 15 Regional Planning Units (RPU) they fall under.

<u>Bay Peninsula RPU</u>

- North Valley Job Training Consortium (NOVA)
- San Francisco County Workforce Development Board
- San Jose-Silicon Valley (work2future)

<u>Capital RPU</u>

- Golden Sierra Workforce Board
- North Central Counties Consortium
- Sacramento Employment and Training Agency
- Yolo County Workforce Innovation Board

East Bay RPU

- Alameda County Workforce Development Board
- Oakland Workforce Development Board
- Contra Costa County Workforce Development Board
- Richmond Workforce Development Board

Inland Empire RPU

- Riverside County Workforce Development Board
- San Bernardino County Workforce Development Board

Los Angeles Basin RPU

- Foothill Workforce Development Board
- Pacific Gateway Workforce Development Board
- City of Los Angeles Workforce Development Board
- Southeast Los Angeles County Workforce Development Board (SELACO)
- South Bay Workforce Investment Board
- Verdugo Workforce Development Board
- Los Angeles County Workforce Development Board

Middle Sierra RPU

- Mother Lode Workforce Development Board

North Bay RPU

- Sonoma County Workforce Investment Board
- Workforce Alliance of the North Bay
- Workforce Development Board of Solano County

North Central Coast RPU

- Monterey County Workforce Development Board
- San Benito County Workforce Development Board
- Santa Cruz Workforce Development Board

North Coast RPU

- Humboldt County Workforce Development Board

North State RPU

- Northern Rural Training and Employment Consortium Workforce Development Board (NoRTEC)

Orange RPU

- Anaheim Workforce Development Board

- Orange County Workforce Development Board
- Santa Ana Workforce Development Board

San Joaquin Valley and Associated Counties RPU

- Fresno Regional Workforce Development Board
- Kern, Inyo, & Mono Workforce Development Board
- Kings County Workforce Development Area
- Madera County Workforce Development Board
- Merced County Workforce Development Board
- San Joaquin County Workforce Development Board
- Stanislaus County Workforce Development Board
- Workforce Investment Board of Tulare County

South Central Coast RPU

- San Luis Obispo County Workforce Development Board
- Santa Barbara County Workforce Development Board

Southern Border RPU

- Imperial County Workforce Development Board
- San Diego Workforce Partnership

Ventura RPU

- Ventura County Workforce Development Board

As outlined in Workforce Services Directive WSD20-06, the Governor is required to approve a request for subsequent designation from a Local Area, if the Local Area performed successfully, sustained fiscal integrity, and engaged in the regional planning process. The State provided definitions of the required criteria and established an application process for Local Areas to obtain subsequent designation for Program Years (PY) 2021-22 and PY 2022-23.

Definitions

Performed Successfully*:* The Local Area has met 80 percent of their negotiated performance goals in PY 2018-19 or PY 2019-20 for the following indicators:

- Employment Rate 2nd Quarter After Exit
- Median Earnings

Sustained Fiscal Integrity*:* The Local Area has not been found in violation of one or more of the following during PY 2018-19 or PY 2019-20:

- Final determination of significant finding(s) from audits, evaluations, or other reviews conducted by state or local governmental agencies or the Department of Labor identifying issues of fiscal integrity or misexpended funds due to the willful disregard or failure to comply with any WIOA requirement.

- Gross negligence – Defined as a conscious and voluntary disregard of the need to use reasonable care, which is likely to cause foreseeable grave injury or harm to persons, property, or both.
- Failure to observe accepted standards of administration – Local Areas must have adhered to the applicable uniform administrative requirements set forth in Title 2 CFR Part 200.

Engaged in Regional Planning: The Local Area has participated in and contributed to regional planning, regional plan implementation, and regional performance negotiations.

Application

In order for a Local Area to request subsequent designation and a Local Board to request recertification, the local Chief Elected Official (CEO) and the Local Board Chair had to complete and sign a Local Area Subsequent Designation and Local Board Recertification Application.

The completed application was submitted to the CWDB who worked with the EDD to verify the information provided and recommend approval or denial of the application to the Secretary of Labor and Workforce Development. The local CEO was notified in writing regarding the approval or denial of their application.

Process for Identifying Regional Planning Units

While developing California's 2020-2023 Unified Strategic Workforce Development Plan (State Plan), the CWDB revisited the existing RPU framework to identify necessary adjustments based on economic or demographic changes in the period since the original 14 RPUs were first established. To assist in this process, the EDD Labor Market Information Division (LMID) conducted an updated analysis that incorporates the most recent commute pattern data from the US Census Bureau's American Community Survey and the most recent labor force and industry employment data from LMID. The results of this analysis were issued in a draft directive and the workforce community was given 30 days to submit public comments on the proposed RPU boundaries.

Local Board placement within the RPUs was based primarily on the location of WIOA client populations and the way these populations fit into regional economies as defined by economic data including commute patterns, industry composition, labor markets, geographic location, and transportation infrastructure. Boundaries of the RPUs were largely set by giving weight to the foregoing economic data and by starting with regional economic market boundaries drawn by the EDD LMID. These regional economic market boundaries were then modified to take into account the number of Local Areas in a region, the size of the area covered, and the boundaries and planning regions of existing regional workforce consortia. The methodology of the analysis is summarized below.

Methodology

The methodology for analysis consists of four parts:

- Part One – Divide California into Economic Markets and Submarkets
- Part Two – Group Counties into Preliminary RPUs Based on Commute Pattern Analysis
- Part Three – Complete Additional Analysis to Finalize Placement of Remaining Undecided Counties
- Part Four – Cross Reference Data-Driven Results with Local Area Jurisdictions

Part One - Divide California into Economic Markets and Submarkets

In 2014, the LMID divided California into economic markets and submarkets. The intent of selecting economic markets and submarkets as starting units of analysis is to begin with a foundation that is data-driven and independent of the need to account for the operational and political jurisdictions of the California workforce system.

The economic markets and submarkets identified as a result of the empirical analysis performed in 2014 have been used as a basis to analyze present commute patterns and, where necessary, additional economic factors, to validate or invalidate existing RPU designations on an empirical basis.

Part Two - Group Counties into Preliminary RPUs Based on Commute Pattern Analysis

Since California has undergone economic and demographic changes in the years since the 14 RPUs were originally designated, county-to-county commute patterns within each RPU were re-analyzed using the US Census Bureau's most recent American Community Survey data.

The present analysis begins from the unit of the county, and proceeds by first identifying the county that is the commute and economic "center of gravity" of its submarket, known as the Base County. Each Base County retains ("holds") and receives ("imports") the largest numbers of daily commuters in comparison with the hold-import numbers of all other counties in its economic submarket. With Base Counties thus identified, remaining counties were classified through examination of their commuter export relationships with other counties in the larger economic market region.

The taxonomy of counties and the process used for their designation is as follows:

1. Base County – A county that holds and imports more commuters than any of the other counties in a selected economic submarket.
2. More Connected County – The top export destination for these counties is inside the same economic market. This is established when the number of commuters to a selected county's top export destination measures more than 10 percent of the total number of commuters living and working in the selected county.
3. Less Connected County – These counties are less connected to either a Base or More Connected County in the same selected economic market and are independent (i.e. self-sustaining) in nature. This is established when the number of commuters to a selected county's top export destination measures less than 10 percent of the total number of commuters living and working in the selected county.
4. Undecided County – The top export destination for these counties is outside the selected economic market. This creates a complex scenario that requires additional analysis of commute patterns as well as economic factors such as labor market size and industry sector composition, to decide whether these counties should be moved from their current economic market and into another.

Part Three - Complete Additional Analysis to Finalize Placement of Remaining Undecided Counties

Since placement of an Undecided County could not be determined through commuter flow analysis alone, each Undecided County was subjected to additional analysis of industry composition (employment levels of major industries) and labor force size (which indicates the extent of industry and occupational diversity and/or complexity within the local economy) to determine the relative similarity of its local economy to the economies of its top commute destination counties. Additionally, with the awareness that jobs and services must be accessible to county residents, geographic proximity was taken into consideration. The purpose of analyzing these factors was to generate additional data needed to accurately place an Undecided County into a preliminary RPU.

Part Four - Cross Reference Data-Driven Results with Local Area Jurisdictions

Results of analysis in Parts Two and Three yield an up-to-date empirical picture of California's regional economic markets and submarkets, and counties' placement within them. To develop an updated RPU framework, the CWDB and the EDD also took local administrative boundaries and planning relationships into account. In particular, results of the foregoing analysis were cross-referenced with Local Area boundaries to ensure that each Local Area is placed into only one RPU and is not subdivided, in accordance with WIOA Section 106.

Updates for RPUs

The findings of the LMID commute pattern were not intended to be directly prescriptive, but instead to identify those regional arrangements that are data-supported and to differentiate them from those that are not. Because WIOA intends RPU creation to facilitate a Local Board's ability to plan and align services, the CWDB provided the workforce community with the opportunity to provide public comment. Proposals for alternative modifications required a compelling, data-based rationale in order to be considered.

Based upon the findings of the LMID analysis and data-driven arguments received in public comment, the number of RPUs changed from 14 to 15 RPUs as a result of the following two updates:

1. The former Coastal RPU is divided into its two constituent economic submarket regions, to be known as the North Central Coast and South Central Coast RPUs.
2. The San Benito Workforce Development Board relocated from its current RPU of Bay Peninsula, to join the North Central Coast RPU.

These new boundaries outlined above and in Workforce Services Directive WSD20-01 went into effect July 1, 2020 and were used when the RPUs developed their PY 2021-24 WIOA Regional Plans.

Subsequent Designation
At outlined in Workforce Services Directive WSD20-06, a unit of local government (or a combination of units) that has requested and been denied subsequent designation as a Local Area under WIOA may appeal the denial to the CWDB, in accordance with WIOA Section 106.

An entity which has been denied subsequent designation may appeal the decision and request a hearing. An appeal and request for hearing must be emailed to the CWDB within 15 calendar days from the email date of the notice of denial of initial designation. The appeal must (1) be in writing and state the grounds for the appeal, and (2) state the reasons why the appellant should be designated. The CWDB will contact the appellant to schedule a hearing date within 15 calendar days of the receipt of the appeal. The CWDB will conduct the appeal hearing process and provide a written decision to the appellant no later than 15 calendar days after the hearing.

A unit or combination of units of general government whose appeal has not resulted in designation as a Local Area may also appeal the denial to the Department of Labor.

As outlined in Workforce Services Directive WSD18-12, if a Local Area is unable to reach agreement regarding joint infrastructure costs with any of their America's Job Centers of California℠ (AJCC) partners, they must notify the State annually by April 1 to trigger the State Funding Mechanism (SFM). Once the notification has been received, the CWDB will initiate a process to determine each AJCC partner's contributions to infrastructure costs in the Local Area for that program year under the SFM. The process will include all appropriate state level authorities to enact the SFM.

All AJCC partner programs and/or the Local Board may appeal the SFM decision. Appeals must include justification by the program and/or Local Board and be based on believed

noncompliance with WIOA Section 121(h)(3) that outlines the Governor's funding allocations. All appeals must be submitted to EDD no later than 30 days after receiving the SFM decision. The state will respond to the appeal no later than June 30 of that year.

2. STATEWIDE ACTIVITIES

California uses WIOA Governor's Discretionary funds to develop and fund innovative and dynamic initiatives that pilot new service delivery strategies and target specific populations throughout the state. These initiatives are aligned with the mission and direction of WIOA by assisting job seekers, especially job seekers with barriers to employment, with access to employment, education, training, and support services they need to succeed in the labor market while also matching employers with the skilled workers they need to compete in the global economy.

PY 2020-21 Governor's Discretionary Grants

Regional Implementation Grants

As outlined in Workforce Services Information Notice WSIN20-20, California awarded $4.9 million in Regional Plan Implementation (RPI) grants to California's 15 RPUs to support implementation of their WIOA Regional Plans. These awards will help ensure more people have access to training, good jobs and economic security, and achieve greater intergenerational income mobility. The following are outcomes the State hopes to achieve through the RPI grants:

- Region has a process to communicate industry workforce needs to supply-side partners.
- Region has policies supporting equity and strives to improve job quality.
- Region has shared target populations of emphasis.
- Region deploys shared/pooled resources to provide services, training, and education to meet target population needs

High Performing Board Certification

As outlined in Workforce Services Directive WSD19-12, awarded $100,000 in incentive funds as part of the High Performing Board certification process. The High Performing Board certification creates an incentive for Local Boards to strive to meet a high performance standard, develop strong local workforce initiatives, and establish a business service plan that together create a unified goal to provide quality services that connect workers to good paying jobs.

California state law directs the Governor, through the CWDB, to establish standards for Local Boards to be certified as High Performing Boards and requires recertification to occur midway through the implementation of the local and regional plans. Additionally, the Governor and the Legislature, as part of the annual budget process, and in consultation with CWDB, may reserve a portion of the WIOA Governor's discretionary funds for the purpose of providing incentive funds to Local Boards who are certified as High Performing Boards.

Workforce Accelerator Fund

As outlined in Workforce Services Information Notice WSIN20-40, California awarded $7.4 million in Workforce Accelerator Fund (WAF) grants to design, develop, and implement projects that accelerate employment and re-employment strategies for California job seekers. The WAF fosters regional coordination among key partners and promotes relationships with new partners, leading to enhanced resources and augmentation of existing services strategies. By working with similar or established programs, organizations are better equipped to anticipate complications and can instead focus on methods and success. Organizations participating in WAF also improve their working relationship with stakeholders.

The primary goals of WAF include:

- Improve labor market and skills outcomes for target groups through the development of strategies that fill gaps, accelerate processes, or customize services to ensure greater access to workforce services and employment opportunities.
- Create new models for service delivery and funding alignment that can be replicated across the State and tailored to regional needs.
- Implement, replicate, and scale successful innovations that emerged from previous WAF projects.
- Leverage state investments with commitments from industry, labor, public, and community partners.

English Language Learners Grant

As outlined in Workforce Services Information Notice WSIN20-56, California awarded $1.8 million in English Language Learner (ELL) grants. With an additional focus on addressing the challenges presented by COVID-19, the ELL grant program supports existing or new projects that improve services to ELLs, reduce and eliminate barriers to employment, build system wide capacity to serve this population, and increase alignment among WIOA partners to identify, develop, and share best practices.

Awards support local projects that establish an Integrated Education Training (IET) model with an interconnected network of employer, education and training partners that ensure career pathways culminate in high quality employment with advancement opportunities for ELLs. Programs funded under this pilot will align WIOA programs, implement co-enrollment strategies, leverage other program funding, and provide supportive and follow-up services. Co-enrollment may include enrollment in WIOA Title I Adult, Title II Adult Education, Title III Wagner-Peyser, and human service programs or other WIOA unified plan programs. The IET model shows promise as a method to increase access to career pathway programs and bridge educational gaps to help ELLs with significant barriers to employment enter into the workforce.

Through this grant program, ELLs will obtain occupational skills for living wage jobs within in-demand industries in the project service area. The IET instructional strategy offers ELLs integrated instruction for career-related training and contextualized language-building skills, which will expedite entrance into the workforce. Incorporating the IET program model requires a sector-based approach to education and training and robust employer partnerships in the local labor market. Projects funded under the ELL grant program are intended to support ELLs from education through placement in high quality jobs that will allow for upward mobility.

Veterans Employment-Related Assistance Program

As outlined in Workforce Services Information Notice WSIN20-63, California awarded $4.9 million in Veterans Employment-Related Assistance Program (VEAP) grants focused on technology-enabled education and training that allows veterans to develop the skills necessary for employment in a regionally in-demand industry.

VEAP grants help encourage the promotion of veterans as individuals with marketable skills and experience by increasing access to career pathways programs through enhanced partnerships with adult education, human service programs, and other State Plan partners including community-based organizations. The intent is to build meaningful and sustainable industry investment and partnership, system innovation, and to develop initiatives that have the best potential to place targeted veterans into self-sufficient jobs and on pathways to careers.

Awards support projects that increase access for target populations, align WIOA programs, implement co-enrollment strategies, enhance partnerships, leverage other program funding,

provide supportive services, and create onramps to high quality jobs with sustainable wages for California's veteran population. Due to COVID-19, applicants were encouraged to collaborate with institutions of higher education, innovative training providers, leaders in technology, or other partners that are best suited to expand online solutions to education, training and employment.

Disability Employment Accelerator

As outlined in Workforce Services Information Notice WSIN20-64, California awarded $2 million in Disability Employment Accelerator (DEA) grants to promote the use of regional-industry sector strategies as the framework to help unemployed and underemployed people with disabilities obtain and retain competitive, integrated employment.

DEA grants support projects that are critical to increasing employment opportunities and outcomes for people with disabilities by working more closely with California's employer community. Grant funds are used to provide the training needed to fill positions in local, high-growth industries such as advanced manufacturing, construction, educational services, healthcare, information technology, logistics and transportation, professional and business services, and technology. These strategies will help increase employer awareness and dispel myths and perceived barriers regarding hiring people with disabilities.

PY 2021-22 Governor's Discretionary Grants

Equity and Special Populations Grant Program (ESP)

As outlined in Workforce Services Information Notice WSIN 21-14, recognizing the need to accelerate equity in employment and develop innovative employment strategies for populations that face significant barriers to employment, California launched the Equity and Special Populations Grant Program (ESP). ESP supports innovative projects that increase equity, employment opportunities and outcomes for special populations by consolidating the previous ELL, VEAP and DEA grant programs into one.

California made available $11.5 million in ESP grants to design, develop and implement projects that will create more effective linkages with California's employer and workforce community, with a focus on high-wage, high demand occupations for people with disabilities, veterans, ELL, justice involved and other target populations or geographic locations most impacted by COVID-19. The intent is to support initiatives that have the best potential to place participants into self-sufficient jobs and on career pathways. These funds build meaningful and sustainable industry investment and partnerships, provide work-based learning opportunities, increase access to quality jobs, leverage other program funding, and provide supportive services for California's most vulnerable populations.

Workforce Accelerator Fund

As outlined in Workforce Services Information Notice WSIN 21-21, California also made available $10.5 million for another round of WAF programs to design, develop, and implement projects that accelerate employment and re-employment strategies for California job seekers. As we recover from the COVID-19 pandemic and the economic crisis that fell hardest on the most vulnerable workers and communities, WAF seeks to fund innovative approaches to improve job quality, create upward mobility, and bridge the gap between workforce programs and quality jobs for workers from disadvantaged or low-income communities in a continuing effort to build a better California for all.

California reserves 25 percent of its Title I Dislocated Worker funding to carry out statewide Rapid Response activities. Of that 25 percent, California chooses to allocate 50 percent directly to Local Areas and hold the other 50 percent at the state level for future Additional Assistance requests.

Rapid Response and Lay-off Aversion

As outlined in Workforce Services Directive WSD16-04, one half of California's 25 percent Rapid Response set-aside funds are allocated directly to Local Areas to support them in enabling affected workers to return to work as quickly as possible following a layoff, or to prevent layoffs altogether. To accomplish this, the workforce development system must be coordinated, comprehensive, and proactive in communicating with business.

This includes providing labor market and workforce information, integrating industry requirements into training strategies and career pathways, brokering relationships and job connections, making services efficient and easy to access, and coordinating with regional partners to reduce duplication. Rapid Response also tracks labor market trends, increased Unemployment Insurance claims, public announcements through the California Worker Adjustment and Retraining Notification Act notices, and analyzes economic data to assess the health of businesses.

Rapid Respond funds are allocated to Local Areas using a three-part formula:

1. Baseline funding - This funding is allocated equally among Local Areas to ensure, at a minimum, that some capacity exists in each Local Area for the coordination and conduct of Rapid Response activities. Allocations to Local Areas comprised of more than one county will include an additional allocation of $50,000 for each additional county. Of the Rapid Response set-aside funds, 30 percent are reserved for this baseline funding.
2. Layoff-based funding - This funding is for Local Areas that serve regions where significant numbers of dislocation events occur. This allocation will be based on quantitative layoff data. Funds will be allocated to Local Areas in proportion to the number of affected workers offered Rapid Response services in response to layoffs reported to the state. This methodology ensures services are provided to assist groups of workers affected by mass layoffs, permanent business closures, and natural or other disasters. Of the Rapid Response set-aside funds, 45 percent are reserved for this layoff-based funding.
3. Hold-Harmless funding - This funding minimizes funding losses from year-to-year. A portion of the Rapid Response set-aside funds will be used to ensure that no Local Area receives less than 75 percent of their prior-year share of statewide funds distributed for baseline and layoff based activities. This policy also limits any Local Area's year-over funding increase to 100 percent of their prior-year allocation.

Layoff Aversion funds are also distributed to Local Areas based on the Local Area's relative share of the Rapid Response formula allocations referenced above.

Additional Assistance

As outlined in Workforce Service Directive WSD16-15, the other half of California's Rapid Response set-aside funds are kept at the state level as Additional Assistance funds. These funds are made available to Local Areas that experience sudden and large increases of unemployment due to natural disasters, mass layoffs, or other events.

The purpose of the Additional Assistance is to supplement and expand local capability to respond effectively to worker dislocation events by funding direct services to dislocated workers when local resources are inadequate. Ideally, projects should be funded from multiple sources and involve multiple WIOA mandated partners. Additional Assistance funds should be used to serve the additional dislocated workers as well as allow a higher quality of services and outcomes to be achieved. The funding request must demonstrate that existing local resources (WIOA or others) are inadequate to address the needs of the affected workers seeking services.

There are three different methods for requesting Additional Assistance funding:

1. Standard Application – This application petitions the state for additional funds to respond to unanticipated dislocated worker events that exceed the capacity of the existing Local Area's formula funds to provide the needed resources.
2. Emergency Application – This application provides the applicant with initial bridge-funding to begin the provision of services to dislocated workers from a mass layoff or natural disaster. To qualify for a natural-disaster classification, the event(s) must be declared eligible for assistance by the Federal Emergency Management Agency or other responding federal agencies.
3. Project Modification Application – This application seeks to alter a current Additional Assistance project due to a substantial change in the scope of the originally-funded work.

In cases of natural disasters, the State's response efforts are coordinated by the California's Office of Emergency Services (CalOES). The CalOES coordinates the overall state response to disasters with local, state, federal, and voluntary/nonprofit partners to administer recovery operations in the event of a disaster.

To further disaster response coordination within the workforce system, Assembly Bill (AB) 2915 (Chapter 722, Statutes of 2018) required the CWDB, in conjunction with EDD and local partners, to establish a policy regarding emergency cooperation agreements between Local Boards. To implement the legislation, CWDB convened a workgroup comprised of representatives from: CalOES, EDD, California Workforce Association, and Local Boards.

The workgroup established a multi-pronged approach for implementation:

1. Publish an Information Notice to share strategies for enhanced coordination with CalOES' Local Emergency Management Contacts
    a. Information Notice: Workforce Services Information Notice 19-10
2. Issue a directive that provides information on allowable activities for the various funding streams utilized by Local Boards when responding to a natural disaster.
    a. Directive: Workforce Services Directive WSD 19-14

Additionally, if an event is declared a disaster by FEMA, California utilizes Rapid Response funding to conduct initial situation assessment to obtain preliminary data to draft a National Dislocated Worker Grant (NDWG) application. Using the initial Rapid Response assessment data, the State works with the affected Local Board(s) to develop an immediate response, including providing 'stop gap' funding through 25 percent Additional Assistance for mitigation activities pending DOL approval of a NDWG.

The State recognizes the need to enhance its early intervention efforts to groups of workers on whose behalf a Trade Adjustment Assistance (TAA) petition has been filed. To ensure these efforts are achieved and that Rapid Response assistance and appropriate career services are made available to those individuals, the State will continue to work collaboratively with its existing Local Area partners as well as establish new relationships with various workforce development entities.

To establish those relationships and strengthen existing partnerships, the TAA State Coordinator will actively engage with the Local Area staff and other workforce partners, such as union affiliates in order to increase TAA visibility and define a streamlined process for information sharing about trade-affected individuals. In addition, TAA staff will attend all Rapid Response regional roundtables to share information regarding recently filed petitions, to learn of employers conducting layoffs that are impacted by foreign trade, and to hear from the Local Area and other workforce partners about petitions they've filed on behalf of a worker group.

The State established a statewide TAA Field Division Coordinator position to provide technical assistance to the Local Areas and to participate in the roundtables.

A well-established relationship between the State and the Local Area will ensure that when a petition is filed, the Local Area Rapid Response Coordinators will coordinate Rapid Response orientations to ensure all applicable partners, including State TAA Staff, and required Rapid Response materials are available at each orientation. Workforce Services Directive 14-15 provides the WIOA and TAA co-enrollment policy and procedures to ensure that Rapid Response staff understand and provide all potential trade-affected workers with required rapid response assistance, including TAA program information.

A TAA Co-enrolment Technical Assistance Guide (TAG) is also available and provides program eligibility and determination guidance, promotes cooperative partnerships, and maximizes resources that supports TAA and WIOA programs co-enrollment. The TAG highlights Rapid Response as a critical access point for co-enrollment. Additionally, the TAA Final Rule codifies the regulatory requirement that a trade-affected worker who is eligible for the WIOA's Dislocated Worker (DW) Program must be co-enrolled into the DW Program.

Pending a petition determination, EDD staff will begin to provide core services through the AJCC system, and will coordinate with Local Area staff to provide appropriate career services, such as a preliminary needs and skills assessment for the impacted worker(s). The early intervention efforts provided to the trade-affected worker prior to the petition certification seeks to reduce a worker's period of unemployment. Upon a petition determination, State TAA Staff will notify all workers identified on the worker list by mailing a TAA Group Eligibility Notification Letter directly to each impacted worker regarding their eligibility to apply for individual TAA benefits and services. The letter also provides program deadline dates, and provides information about the different benefits and services available to the worker if they qualify. Upon the petition certification, State TAA Staff will continue to provide appropriate employment and case management services to assist the worker in obtaining reemployment as quickly as possible.

B. ADULT AND DISLOCATED WORKERS PROGRAM REQUIREMENTS

1. WORK-BASED TRAINING MODELS

In addition to the 2021-22 WIOA Governor's Discretionary Grants outlined above, California invested $10.5 million to expand existing High Road Training Partnerships (HRTP) that prioritize job quality, support economic and climate resilience, and link regionally-driven sector work to a statewide skills agenda. The HRTP model creates a comprehensive infrastructure of support for industries, employers, labor, and workers to collaboratively negotiate industry needs in real time and prepare for the future of work. This partnership model promotes systems change and worker power to build an economy based on equity, skills, innovation, and shared prosperity.

This round of HRTP grants builds upon existing HRTP strategies that drive industry-specific innovations and lead to improvements in equity, job quality, and environmental sustainability. These high road, sector-based training partnerships are embedded within identified industries that play a critical role in the state's strategy for a just recovery from the COVID-19 pandemic and economic crisis. These HRTP grants support partnerships that improve, expand, and/or scale existing or previously funded projects. Examples of types of long-term goals for projects include:

- Expand into one of more new regions to increase access to high-quality jobs or entry-level work with clearly defined routes to advancement.
- Increase opportunity for skills attainment for those at the lower end of the labor market.

- Develop and expand career pathways within key industries for populations who have experienced barriers to employment.
- Support both labor and management in order to increase productivity by increasing the health, safety, and specialization of jobs in a particular sector.
- Address skills needs in new and emerging industries, specifically those which center on environmental sustainability and equitable recovery.

HRTPs are creating a comprehensive infrastructure of support for industries, employers, labor, and workers to collaboratively negotiate industry needs in real time and prepare for the future of work. This partnership model promotes systems change and worker power to build an economy based on equity, skills, innovation, and shared prosperity. The HRTP approach is structured to ensure program outcomes achieve the following objectives:

- Workforce development and employment opportunities are accessible to and shaped by communities of color and low-wage workers.
- Jobs offer family-sustaining wages and benefits.
- Workplaces are safe and healthy.
- Workers have agency and voice and are treated with dignity and respect.

HRTPs also ensure that industries develop mechanisms to become sustainable and competitive in a high road economy and adopt practices to address vital concerns like increasing racial equity and environmental sustainability.

2. REGISTERED APPRENTICESHIP

According to California law, when Local Boards provide apprenticeship or pre-apprenticeship related services using WIOA funds, they must coordinate with the apprenticeship programs in their Local Area that have been formally accredited by the Department of Industrial Relations Division of Apprenticeship Standards.

Assembly Bill (AB) 554 (Chapter 499, Statutes of 2011) requires the CWDB and each Local Board to ensure that programs and services funded by WIOA and directed toward apprenticeable occupations, including pre-apprenticeship training, are conducted in coordination with one or more apprenticeship programs approved by the Department of Industrial Relations Division of Apprenticeship Standards for the occupation and geographic area. AB 554 also requires the CWDB and each Local Board to develop a policy of fostering collaboration between community colleges and approved apprenticeship programs in their geographic area to provide pre-apprenticeship training, apprenticeship training, and continuing education in apprenticeable occupations through the approved apprenticeship programs.

3. TRAINING PROVIDER ELIGIBILITY PROCEDURE

As outlined in Workforce Services Directive WSD21-03, in order to be listed on California's Eligible Training Provider List (CA ETPL), training providers must submit an application through CalJOBSSM to a Local Board to offer training programs to WIOA program participants. The program must have been nominated by the Local Board and approved by the EDD.

Initial Eligibility

The requirements for application to the CA ETPL, also known as the "initial eligibility criteria", includes the following for providers and programs:

Providers:

Adult Education Secondary Schools

- Must be an eligible provider of adult education and literacy activities under Title II of WIOA. Adult education and/or literacy activities must be offered concurrently, or in combination with, occupational skills training.

Pre-apprenticeship Providers

- Must have a letter of commitment from a DOL registered or DIR DAS approved apprenticeship program.

Apprenticeship Providers

- DOL Registered Apprenticeships and DIR DAS Approved Apprenticeships are automatically eligible to be listed on the CA ETPL and do not have any initial eligibility requirements.

Private Postsecondary Institutions (for-profit or non-profit)

- Must be accredited by the Accrediting Commission for Schools (ACS) Western Association of Schools and Colleges (WASC); the WASC Senior College and University Commission (SCUC); have current BPPE Approval to Operate; current Verification of Exemption by BPPE; or are deemed exempt per California Education Code (CEC) Section 94874.

Public Postsecondary Institutions

- Community Colleges: must be accredited by the WASC Accrediting Commission for Community and Junior Colleges (ACCJC).
- CA State University (CSU) and University of CA (UC): must be accredited by the WASC SCUC.

Additionally, all providers must meet the following requirements:

- Compliance with the Equal Opportunity and Nondiscrimination requirements, found in Section 188 of WIOA, prior to nominating the training provider to be on the CA ETPL.
- Provide information supporting the provider's partnership with business. This may include information about the quality and quantity of employer partnerships.

Programs:

- The training program must be for occupations in in-demand industry sectors identified by the state, region, or Local Board. In-demand or priority industry sector information must be verified with the State Board and/or Local Board.
- The training program provides training services that lead to an industry-recognized credential, or employment in a specific occupation after receiving measurable technical skills.
- The cost of the program should match the cost of a member of the general public enrolling in the program without assistance from WIOA.
- If a program is offered with multiple modes of instruction (e.g. online and in-person) or durations, the program needs to be entered separately for each variation.
- For providers with a BPPE Approval to Operate, the training program and its location are BPPE approved.

- For providers with WASC SCUC accreditation, the training program, its location, and mode of delivery are WASC SCUC accredited.
- Programs must meet or exceed the minimum performance expectations based on data for all students in the program, including non-ETPL enrollments:
    - Public Postsecondary Community Colleges, CSUs, UCs, and Adult Education Secondary Schools:
        - Of individuals that exited the program, the percentage who successfully completed the training program.
        - Of individuals that successfully completed the training program, the percentage who are employed within six months of graduating from the training program.
        - Note: due to heavy state oversight, these providers are not required to meet a specific percentage.
    - Private Postsecondary Institutions:
        - Of individuals who exited the program, 50% successfully completed the training program.
        - Of individuals who successfully completed the training program, 50% are employed within six months of graduating from the training program.

If the training program does not meet the requirements of initial eligibility, the program's application will be denied, and the provider will be notified.

Continued Eligibility

All programs on the ETPL, with the exception of apprenticeship programs, will be evaluated annually to ensure they continue to meet eligibility to be retained on the ETPL beyond the one-year period of initial eligibility. This process is called "continued eligibility. The continued eligibility review process is based on the following for providers and programs:

Providers:

All providers on the ETPL will be evaluated by the EDD. All initial eligibility requirements for providers apply during continued eligibility. Since providers can be reviewed year-round, all active training providers on the CA ETPL will be evaluated annually by the EDD no earlier than 60 days, and no later than 30 days prior to the provider's eligibility expiration date to ensure they continue to meet eligibility to be retained on the CA ETPL. Additionally, providers that do not have at least one Title I, subtitle B enrollment during the previous two program years will be removed from the ETPL.

Programs:

All programs on the ETPL will be evaluated by the Local Board, and if the Local Board deems the program eligible, they will nominate it to the EDD for review. Programs must meet all requirements outlined in initial eligibility, as well as the following:

- Program information is updated in CalJOBS.
- Submit aggregate student data for each ETPL program, per federal reporting requirements

- With the exception of apprenticeships, Adult Education providers, Community Colleges, UCs, and CSUs, programs must meet or exceed initial eligibility performance expectations, as well as state-negotiation performance goals.
- The program must meet the following performance metric for all students for the most recent complete program year (July 1 – June 30):
    - Of individuals who exited the program, 50% successfully completed (did not withdraw or transfer) the program.
- The program must meet the following performance metrics for WIOA participants for the most recent complete program year (July 1 – June 30):
- Employment Rate 2nd Quarter after Exit meets the state's negotiated goal for the Title I Adult program.
- Employment Rate 4th Quarter after Exit meets the state's negotiated goal for the Title I Adult program.
- Median Earnings meet the state's negotiated goal for the Title I Adult program.
- Credential Attainment meets the state's negotiated goal for the Title I Adult program (if applicable).
- Measurable Skill Gains meets the state's negotiated goal for the Title I Adult program.

If the training program does not meet the requirements of continued eligibility, the program must be removed from the ETPL, and the provider notified of the removal.

4. DESCRIBE HOW THE STATE WILL IMPLEMENT AND MONITOR THE PRIORITY FOR PUBLIC ASSISTANCE RECIPIENTS, OTHER LOW-INCOME INDIVIDUALS, AND INDIVIDUALS WHO ARE BASIC SKILLS DEFICIENT IN ACCORDANCE WITH THE REQUIREMENTS OF WIOA SEC. 134(C)(3)(E), WHICH APPLIES TO INDIVIDUALIZED CAREER SERVICES AND TRAINING SERVICES FUNDED BY THE ADULT FORMULA PROGRAM

As outlined in Workforce Services Directive WSD15-14, Local Boards must provide priority of service to recipients of public assistance, other low-income individuals, or individuals who are basic skills deficient when providing individualized career services and training services funded with WIOA adult funds.

Veterans and eligible spouses are also able to receive priority of service among all eligible individuals; however, they must meet the WIOA adult program eligibility criteria and meet the criteria under WIOA Section 134(c)(3)(E). Therefore, priority must be provided in the following order:

1. Veterans and eligible spouses who are also recipients of public assistance, other low income individuals, or individuals who are basic skills deficient.
2. Individuals who are the recipient of public assistance, other low income individuals, or individuals who are basic skills deficient.
3. Veterans and eligible spouses who are not included in WIOA's priority groups.
4. Other individuals not included in WIOA's priority groups.

Local Boards are allowed to establish additional priority groups for their Local Area (e.g., residents of the Local Area, individuals with disabilities, formerly incarcerated and justice-involved, etc.). However, any additional priority groups established should be identified in the local policy.

The directive contains definitions of public assistance, low income, and basic skills deficient as well as all individualized career and training services. It also contains a chart of source documents that Local Boards can use to verify a participant's eligibility for priority of service.

The EDD Policy and Compliance Accountability Branch is responsible for conducting annual sub recipient monitoring to ensure that they are in compliance with WIOA eligibility requirements, including priority of service.

5. DESCRIBE THE STATE'S CRITERIA REGARDING LOCAL AREA TRANSFER OF FUNDS BETWEEN THE ADULT AND DISLOCATED WORKER PROGRAMS

As outlined in Workforce Services Directive WSD15-23, transfer of funds requests can be submitted any time during the two-year life of the program funds, however transferred funds must stay within the original year of allocation and time period (i.e., July 1, first allocation funds, or October 1, second allocation funds).

- Local Areas must submit transfer requests in writing to the EDD. The transfer request must include the reason and/or rationale for the transfer, and be approved by the Local Board. Considerations for review and approval by EDD include the following:
- Changes in planned services to eligible participants.
- Unexpected layoffs requiring additional funds.
- Changes in the goals for serving eligible participants.
- Changes in labor market conditions.
- Effect of training on jointly funded employment and training programs in the AJCC.
- Effect on existing agreements for the delivery and/or coordination of employment and training services.
- Effect on current state and Local Area employment and training systems.
- Effect on the employment and training needs of eligible participants in the Local Area.

To the extent that a Local Area requests to transfer its entire allocation of dislocated worker funds to the adult program, the Local Area must be aware of the following implications pertaining to the transfer:

- The EDD will not consider Local Area requests for funding from Rapid Response Additional Assistance funds to mitigate the loss of dislocated worker funds resulting from the transfer.
- All transfers of funds are subject to the WIOA adult program priority of service requirement.

C. WITH RESPECT TO YOUTH WORKFORCE INVESTMENT ACTIVITIES AUTHORIZED IN SECTION 129 OF WIOA—

1. IDENTIFY THE STATE-DEVELOPED CRITERIA TO BE USED BY LOCAL BOARDS IN AWARDING GRANTS OR CONTRACTS FOR YOUTH WORKFORCE INVESTMENT ACTIVITIES AND DESCRIBE HOW THE LOCAL BOARDS WILL TAKE INTO CONSIDERATION THE ABILITY OF THE PROVIDERS TO MEET PERFORMANCE ACCOUNTABILITY MEASURES BASED ON PRIMARY INDICATORS OF PERFORMANCE FOR THE YOUTH PROGRAM AS DESCRIBED IN SECTION 116(B)(2)(A)(II) OF WIOA IN AWARDING SUCH GRANTS OR CONTRACTS.[11]

As outlined in Workforce Services Directive WSD17-07, California seeks to invest WIOA youth funds in programs that employ best practices and incorporate concepts of youth development in

order to meet the diverse needs of youth and young adults through integrated wrap-around services, with a particular focus on employment and post-secondary outcomes.

To accomplish this, Local Boards should select youth service providers that:

- Employ proven recruitment strategies of effective outreach, engagement, enrollment, and retention of out-of-school youth.
- Demonstrate meaningful partnerships with eligible training providers, institutions of higher education, and employers from in-demand industries
- Offer a continuum of services that allow participants to obtain a GED/High School diploma, enroll into post-secondary education, and obtain employment within their chosen career path.
- Utilize career pathways and sector strategy models with a structured sequence of activities, as well as multiple entry and exit points that provide adequate supportive services.
- Use structured work-based learning, such as paid and unpaid work experiences and career exploration that leads to gainful employment.
- Provide intensive case management and support services to help youth overcome complex barriers, successfully complete the program, and retain employment.

Successful performance is a priority as it helps to measure the effectiveness of a local program. Local Board selection of youth providers requires an assessment of the provider's ability to meet participant and performance requirements set forth by the local administrative entity and the State.

Local Boards should assess the provider's:

- Experience managing contracts, performance records, and administrative structure, including records and retention, compliance and monitoring, internal audit procedures, and data management system.
- Ability to meet reporting deadlines.
- Planned performance and ability to track outcomes.
- Frequency of training and technical assistance provided on the performance indicators to ensure compliance with federal and state requirements.

2. DESCRIBE THE STRATEGIES THE STATE WILL USE TO ACHIEVE IMPROVED OUTCOMES FOR OUT-OF-SCHOOL YOUTH AS DESCRIBED IN 129(A)(1)(B), INCLUDING HOW IT WILL LEVERAGE AND ALIGN THE CORE PROGRAMS, ANY COMBINED STATE PLAN PARTNER PROGRAMS INCLUDED IN THIS PLAN, REQUIRED AND OPTIONAL ONE-STOP PARTNER PROGRAMS, AND ANY OTHER RESOURCES AVAILABLE.

From a programmatic standpoint, California has prioritized investments in serving disconnected and out of school youth at the local level by identifying them as a target population for many of the federally and state funded grant programs. Below are a few examples of youth projects that were awarded funds.

The following are projects supported by the Workforce Accelerator Fund:

- A project that combines early work experience through employment with local professional sports arenas/stadiums, essential skills training, and connection to ongoing employment for disconnected youth. The project will also create a roadmap of

opportunity for youth to follow when exploring, enrolling in, completing a community college program, and transitioning into the workforce.

- A project that leverages partnerships with the Local Conservation Corps, Community College, and U.S. Forest Services. The project will enroll youth in forestry and related field training and upon completion of training; youth will be placed in unsubsidized jobs, advanced training, or enrolled in post-secondary education.

The following are projects supported by the Breaking Barriers to Employment Initiative:

- A project that provides a two-part, six month internship for youth experiencing homelessness. The project will address the educational and professional opportunity gap for youth experiencing homelessness by providing youth with the tools and resources necessary for meeting their educational and professional goals.
- A project that assesses and enrolls disconnected youth, foster youth, and other target populations into programs that provide work experience. The participants without a GED or high school diploma will be enrolled into one of the Youth Build high schools.

Ongoing discussions with core and required program partners have shown that improving access and quality of services provided to out of school youth facing significant barriers is a shared priority. The State is looking into ways to increase capacity for cross agency collaboration and alignment of youth policy at the state level in order to improve youth service delivery at the local level.

3. DESCRIBE HOW THE STATE WILL ENSURE THAT ALL 14 PROGRAM ELEMENTS DESCRIBED IN WIOA SECTION 129(C)(2) ARE MADE AVAILABLE AND EFFECTIVELY IMPLEMENTED, INCLUDING QUALITY PRE-APPRENTICESHIP PROGRAMS UNDER THE WORK EXPERIENCE PROGRAM ELEMENT. [12]

Local Boards must ensure that all 14 program elements are available in their Local Area. However, Local Boards are not required to provide the 14 required elements to each youth participant; they have the flexibility to determine what specific services a youth will receive based upon the youth's assessment and service strategy.

Local Boards must competitively procure high quality youth service providers that develop and implement effective youth programs by aligning career pathways, employment, training, education, and supportive services. Aligning strategic partnerships, communication, coordination, and collaboration among employers, educational partners, economic development entities, and service providers is the foundation of the ensuring access to all program elements.

The WIOA youth work experience expenditure requirement aligns with California's ongoing support and utilization of "earn and learn" models such as work experience, pre-apprenticeship, registered apprenticeship, on-the-job training, and internships where participants can receive concurrent academic and occupational education, job readiness training, and employment skills. Work experience is an investment to build the foundation for career exploration and guidance, support for educational attainment, provide opportunities for skills training in in-demand industries that results in good job or enrollment in post-secondary education.

4. PROVIDE THE LANGUAGE CONTAINED IN THE STATE POLICY FOR "REQUIRING ADDITIONAL ASSISTANCE TO ENTER OR COMPLETE AN EDUCATIONAL PROGRAM, OR TO SECURE AND HOLD EMPLOYMENT" CRITERION FOR OUT-OF-SCHOOL YOUTH SPECIFIED IN WIOA SECTION 129(A)(1)(B)(III)(VIII) AND FOR "REQUIRING ADDITIONAL ASSISTANCE TO COMPLETE AN EDUCATION PROGRAM, OR TO SECURE AND HOLD EMPLOYMENT" CRITERION FOR IN-SCHOOL YOUTH SPECIFIED IN WIOA SECTION 129(A)(1)(C)(IV)(VII). IF THE STATE DOES NOT HAVE A POLICY, DESCRIBE HOW THE STATE WILL ENSURE THAT LOCAL AREAS WILL HAVE A POLICY FOR THESE CRITERIA.

Local Boards must establish a local definition and eligibility documentation requirements for the "requires additional assistance" criterion to determine eligibility for OS youth and IS youth. This definition must be included in the Local Plan.

The State provided the following possible definitions/criteria:

- Have repeated at least one secondary grade level or are one year over age for grade.
- Have a core grade point average (GPA) of less than 1.5.
- For each year of secondary education, are at least two semester credits behind the rate required to graduate from high school.
- Are emancipated youth.
- Have aged out of foster care.
- Are previous dropouts or have been suspended five or more times or have been expelled.
- Have received court/agency referrals mandating school attendance.
- Are deemed at risk of dropping out of school by a school official.
- Have been referred to or are being treated by an agency for a substance abuse related problem.
- Have experienced recent traumatic events, are victims of abuse, or reside in an abusive environment as documented by a school official or other qualified professional.
- Have serious emotional, medical or psychological problems as documented by a qualified professional.
- Have never held a job (applies to older youth).
- Have been fired from a job within the twelve months prior to application (applies to OS youth).
- Have never held a full-time job for more than thirteen consecutive weeks (applies to OS youth).

5. INCLUDE THE STATE DEFINITION, AS DEFINED IN LAW, FOR NOT ATTENDING SCHOOL AND ATTENDING SCHOOL AS SPECIFIED IN WIOA SECTION 129(A)(1)(B)(I) AND SECTION 129(A)(1)(C)(I). IF STATE LAW DOES NOT DEFINE "NOT ATTENDING SCHOOL" OR "ATTENDING SCHOOL," INDICATE THAT IS THE CASE AND PROVIDE THE STATE POLICY FOR DETERMINING WHETHER A YOUTH IS ATTENDING OR NOT ATTENDING SCHOOL.

California state law does not contain a definition for attending school or not attending school. Therefore, the State developed definitions using DOL guidance and California Department of Education guidelines for data and tracking of those both in and out of school.

Attending School - an individual is considered to be attending school if the individual is enrolled in secondary or postsecondary school. If a youth is between high school graduation and postsecondary education, the youth is considered an In-School (IS) youth if they are registered for postsecondary education, even if they have not yet begun postsecondary classes. However, if the youth registers for postsecondary education, but does not follow through with attending classes, the youth is considered Out-of-School (OS) youth if the eligibility determination is made after the youth decided not to attend postsecondary education. Youth on summer break are considered IS youth if they are enrolled to continue school in the fall.

Not Attending School - an individual who is not attending a secondary or postsecondary school. In addition, individuals enrolled in the following programs would be considered an OS youth for eligibility purposes:

- WIOA Title II Adult Education, YouthBuild, Job Corps, high school equivalency program, or dropout re-engagement programs.
- A youth attending a high school equivalency program funded by the public K-12 school system who is classified by the school system as still enrolled in school are the exception; the youth would be considered an IS youth. Non-credit bearing postsecondary classes only.
- A charter school program that provides instruction exclusively in partnership with WIOA, federally-funded YouthBuild programs, federal Job Corps training or instruction, California Conservation Corps, or a state certified local conservation corps.

6. IF USING THE BASIC SKILLS DEFICIENT DEFINITION CONTAINED IN WIOA SECTION 3(5)(B), INCLUDE THE STATE DEFINITION WHICH MUST FURTHER DEFINE HOW TO DETERMINE IF AN INDIVIDUAL IS UNABLE TO COMPUTE OR SOLVE PROBLEMS, OR READ, WRITE, OR SPEAK ENGLISH, AT A LEVEL NECESSARY TO FUNCTION ON THE JOB, IN THE INDIVIDUAL'S FAMILY, OR IN SOCIETY. IF NOT USING THE PORTION OF THE DEFINITION CONTAINED IN WIOA SECTION 3(5)(B), INDICATE THAT IS THE CASE.

As outlined in Workforce Services Directive WSD15-14, an individual is considered to be basic skills deficient if they are unable to compute or solve problems, or read, write, or speak English at a level necessary to function on the job, in the individual's family, or in society. The State identified the following ways to determine whether an individual meets those criteria:

- Lacks a high school diploma or high school equivalency and is not enrolled in secondary education.
- Enrolled in a Title II Adult Education/Literacy program.
- English, reading, writing, or computing skills at an 8.9 or below grade level.
- Determined to be Limited English Skills proficient through staff-documented observations.
- Other objective criteria determined to be appropriate by the Local Area and documented in its required policy.

D. SINGLE-AREA STATE REQUIREMENTS

1. ANY COMMENTS FROM THE PUBLIC COMMENT PERIOD THAT REPRESENT DISAGREEMENT WITH THE PLAN. (WIOA SECTION 108(D)(3).)

2. THE ENTITY RESPONSIBLE FOR THE DISBURSAL OF GRANT FUNDS, AS DETERMINED BY THE GOVERNOR, IF DIFFERENT FROM THAT FOR THE STATE. (WIOA SECTION 108(B)(15).)

3. A DESCRIPTION OF THE TYPE AND AVAILABILITY OF WIOA TITLE I YOUTH ACTIVITIES AND SUCCESSFUL MODELS, INCLUDING FOR YOUTH WITH DISABILITIES. (WIOA SECTION 108(B)(9).)

Not Applicable.

4. A DESCRIPTION OF THE ROLES AND RESOURCE CONTRIBUTIONS OF THE ONE-STOP PARTNERS.

Not Applicable.

5. THE COMPETITIVE PROCESS USED TO AWARD THE SUBGRANTS AND CONTRACTS FOR TITLE I ACTIVITIES.

Not Applicable.

6. HOW TRAINING SERVICES OUTLINED IN SECTION 134 WILL BE PROVIDED THROUGH INDIVIDUAL TRAINING ACCOUNTS AND/OR THROUGH CONTRACTS, AND HOW SUCH TRAINING APPROACHES WILL BE COORDINATED. DESCRIBE HOW THE STATE WILL MEET INFORMED CUSTOMER CHOICE REQUIREMENTS REGARDLESS OF TRAINING APPROACH.

Not Applicable.

7. HOW THE STATE BOARD, IN FULFILLING LOCAL BOARD FUNCTIONS, WILL COORDINATE TITLE I ACTIVITIES WITH THOSE ACTIVITIES UNDER TITLE II. DESCRIBE HOW THE STATE BOARD WILL CARRY OUT THE REVIEW OF LOCAL APPLICATIONS SUBMITTED UNDER TITLE II CONSISTENT WITH WIOA SECS. 107(D)(11)(A) AND (B)(I) AND WIOA SEC. 232.

Not Applicable.

8. COPIES OF EXECUTED COOPERATIVE AGREEMENTS WHICH DEFINE HOW ALL LOCAL SERVICE PROVIDERS WILL CARRY OUT THE REQUIREMENTS FOR INTEGRATION OF AND ACCESS TO THE ENTIRE SET OF SERVICES AVAILABLE IN THE ONE-STOP DELIVERY SYSTEM, INCLUDING COOPERATIVE AGREEMENTS WITH ENTITIES ADMINISTERING REHABILITATION ACT PROGRAMS AND SERVICES.

Not Applicable.

E. WAIVER REQUESTS (OPTIONAL)

California received DOL approval for three PY 2021-22 waivers that provided Local Boards with critical flexibility when assisting individuals and businesses affected by the COVID-19 pandemic. Approaching two years after the state's initial quarantine orders, certain sectors within California's labor market continue to experience devastating effects from unprecedented increases in both temporary and permanent layoffs, especially as supply chain disruptions and mutations of the COVID-19 virus threaten many businesses with permanent closure.

Due to the extent of the ongoing disruptions to the state's workforce and economy as a result of this persistent pandemic, and to give the state more time to fully assess the implementation and success of each waiver, CWDB and EDD are requesting DOL's approval to extend the current three WIOA waivers through the life of the current State Plan until June 30th, 2024:

- Waiver of WIOA Section 134(d)(5): This waiver allows up to 30 percent of WIOA Title I adult and dislocated worker local formula funds to be used for the provision of transitional jobs.
- Waiver of WIOA Section 134(c)(3)(H)(i): This waiver allows up to a 90 percent reimbursement of on-the-job training (OJT) costs for businesses with 50 or fewer employees.
- Waiver of WIOA Section 129(a)(4)(A): This waiver allows Local Boards to decrease the out-of-school youth (OSY) expenditure requirement from 75 percent to 50 percent.

<u>Waiver of WIOA Section 134(d)(5)</u>

Under WIOA Section 134(d)(5), a Local Board may use up to 10 percent of their combined WIOA Title I adult and dislocated worker formula funds for the provision of transitional jobs. Extension of this waiver would continue to allow up to 30 percent of a Local Board's combined WIOA Title I adult and dislocated worker formula funds to be used for the provision of transitional jobs.

Nearly a quarter of the Local Boards in California placed participants in transitional jobs during PY 2019-20. Given the diverse and varying needs in California, the State has allowed the manner and degree to which Local Boards use transitional jobs to remain a local decision based on the needs of the participants and employers in their community. However, when the pandemic hit, both Local Boards who were actively using the transitional jobs as well as those who had not used it recently voiced that they saw it becoming a critical service delivery strategy over the next couple years as many participants, especially those with barriers to employment, are struggling to attach or re-attach to the labor market.

California's intent in seeking this waiver is not to replace, reduce, or impact existing employees in any way. Rather the intent of the waiver would be to allow Local Boards increased flexibility to provide transitional jobs to individuals with barriers to employment in order to gain work experience and a source of income during these trying times. As a secondary benefit, the waiver could assist employers who may need or want to hire additional staff (on top of their existing staff) in order to rebuild their business operations as some shut down restrictions are being lifted but do not currently have the financial means to do so given the immediate drop in revenue that many businesses experienced when the pandemic hit.

Actions to Remove State or Local Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

State Strategic Goals Supported By Waiver

This waiver aligns with the following strategic goals outlined in the State Plan:

- Fostering demand-driven skills attainment
- Enabling upward mobility for all Californians
- Aligning, coordinating, and integrating programs and services

Projected Programmatic Outcomes Resulting from Waiver Implementation

The State of California anticipates the implementation of this waiver to have the following programmatic outcomes:

- Provide participants who are chronically unemployed or have inconsistent work history with work experience and reattachment to the labor market.
- Provide participants with wages that will assist in covering critical living expenses and provide stimulus to local economies.
- Provide a source of additional subsidized labor to employers who are attempting to rebuild their business operations after COVID-19 imposed shutdowns.

California placed 146 Adults and 31 Dislocated Workers in Transitional Jobs in PY 2019-20. While it can be hard to provide an exact number given the uncertain and ever changing economic conditions, California anticipates that increasing the percentage of adult and dislocated funds that can spend on transitional jobs to individuals with barriers to employment could lead to an estimated 10% increase in Adults and Dislocated Workers placed in transitional jobs for each full program year that the waiver is in effect.

Individuals Impacted by the Waiver

The waiver is intended to assist both job seekers and employers. In particular, this waiver is meant to impact the following:

- Job seekers with significant barriers to employment, who are either:
    - Chronically unemployed
    - Have an inconsistent work history
    - Employers attempting to hire additional staff in order to rebuild their business operations after COVID-19 imposed shutdowns.

Monitoring Progress and Implementation

As outlined in Workforce Services Directive WSD20-13, Local Boards must receive approval from the State before using any of the waivers granted by DOL. This application process allows the State to make approvals for each individual waiver contingent on Local Boards meeting certain criteria and requirements related to that waiver. It also allows the State to track which Local Boards are using which waivers in order to determine its effectiveness at the end of each program year.

Because the current waiver was only applied to PY 2021-22, it is too early to determine true impact without a complete program year of data to compare against. However, 6 Local Boards are currently approved to utilize this waiver, with more Local Boards indicating they would like to apply in future programs years if an extension of the current waiver is received.

Notice to Local Boards and Public Comment

The Draft State Plan was posted for public comment for 30 days in order to allow the workforce community an opportunity to provide input.

Waiver of WIOA Section 134(c)(3)(H)(i)

Small businesses are continuing to experience unprecedented challenges due to the COVID-19 pandemic as they struggle to maintain regular business operations, address staffing needs, and respond to changing consumer demand. Some, for instance, shifted their business model dramatically to pivot to production of critical personal protective equipment and supplies to tackle the shortage confronting healthcare and other frontline workers. Other employers had to quickly modify service-delivery methods, adapt processes to ensure contactless interactions between employees and customers, and maintain or increase stock of goods and services that are in high-demand.

Extension of this waiver would allow Local Boards to continue to provide additional relief to small businesses who may be more risk-averse when it comes to hiring and training new employees during this time of economic instability, by reimbursing a greater portion of their on-the-job training costs. This extension would also maximize a Local Boards' ability to support small businesses who are seeking to maintain and retrain their workforce to adapt to the rapidly changing economic landscape.

Actions to Remove State or Local Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

State Strategic Goals Supported By Waiver

This waiver aligns with the following strategic goals outlined in the State Plan:

- Fostering demand-driven skills attainment
- Enabling upward mobility for all Californians
- Aligning, coordinating, and integrating programs and services

Projected Programmatic Outcomes Resulting from Waiver Implementation

The State of California anticipates the extension of this waiver to have the following programmatic outcomes:

- Provide small businesses with additional reimbursement of the OJT costs associated with training employees to meet existing or new business needs resulting from the COVID-19 pandemic.
- Provide job seekers, with barriers to employment, subsidized training opportunities to improve the prospect of obtaining and retaining employment.

California provided 1,172 Adults and 304 Dislocated Workers with OJT services in PY 2019-20. Consultation with Local Boards has revealed that approximately 75% of those were with small businesses that have 50 or fewer employees. While it can be hard to provide an exact number given the uncertain and ever changing economic conditions, California anticipates that increasing the reimbursement up to 90% could lead to an estimated 25% increase or an additional 250 participants placed in OJTs with small businesses for each year that the waiver is in effect.

Individuals Impacted by the Waiver

The waiver is intended to provide assistance to both job seekers and employers. In particular, this waiver is meant to impact the following:

- Employers with fewer than 50 employees, especially those who are experiencing altered operations, service delivery, or other changes due to COVID-19.
- Job seekers with barriers to employment, especially those whose employment status has been effected due to COVID-19.

Monitoring Progress and Implementation

As outlined in Workforce Services Directive WSD20-13, Local Boards must receive approval from the State before using any of the waivers granted by DOL. This application process allows the State to make approvals for each individual waiver contingent on Local Boards meeting certain criteria and requirements related to that waiver. It also allows the State to track which Local Boards are using which waivers in order to determine its effectiveness at the end of each program year.

Because the current waiver was only applied to PY 2021-22, it is too early to determine true impact without a complete program year of data to compare against. However, 13 Local Boards are currently approved to utilize this waiver, with more Local Boards indicating they would like to apply in future programs years if an extension of the current waiver is received.

Notice to Local Boards and Public Comment

The Draft State Plan was posted for public comment for 30 days in order to allow the workforce community an opportunity to provide input.

Waiver of WIOA Section 129(a)(4)(A)

Under WIOA, Local Boards are required to spend at least 75 percent of their WIOA youth formula allocation on youth workforce investment activities for OSY. For California, an unintended consequence of this requirement has led to a reduction in funds that Local Boards could redirect toward serving ISY who are involved in the foster care system, juvenile justice system, and/or experiencing homelessness.

In California, foster care and juvenile justice youth have high rates of not completing high school, entering post-secondary education, or entering the workforce. While this waiver increases the flexibility that Local Boards have to enroll all eligible ISY, California is specifically hoping to see an increase in access to services for systems involved youth and youth experiencing homelessness so that they can be served through workforce development programs to support their continued engagement in education or training prior to disengagement.

Actions to Remove State or Local Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

State Strategic Goals Supported By Waiver

This waiver aligns with the following strategic goals outlined in the State Plan:

- Fostering demand-driven skills attainment.
- Enabling upward mobility for all Californians.
- Aligning, coordinating, and integrating programs and services.

Projected Programmatic Outcomes Resulting from Waiver Implementation

While it can be hard to provide an exact number given the pandemic's impact on school reopening, and the variance in how many disconnected youth are in each Local Area, the CWDB anticipates that Local Boards who applied for and are utilizing this waiver will see an increase of approximately 15 percent, in the total number of ISY that they enroll who meet the WIOA defined youth barriers related to foster care, justice involved, and/or homelessness. Using California's Program Year 2019-20 data as a benchmark, a 15 percent increase would equate to approximately 695 more ISY youth from the identified target populations enrolled statewide for every full program year the waiver is in effect.

Individuals Impacted by the Waiver

This waiver is intended to increase the enrollment of ISY who meet one or more of the following WIOA defined ISY barriers:

- An offender.
- A homeless individual or runaway.
- An individual in foster care or who has aged out of the foster care system.
- An individual who has attained 16 years of age and left foster care for kinship guardianship or adoption, a child eligible for assistance under Section 477 of the Social Security Act, or in an out-of-home placement.

Monitoring Progress and Implementation

As outlined in Workforce Services Information Notice WSIN21-12, Local Boards must receive approval from the State before using any of the waivers granted by DOL. This application process allows the State to make approvals for each individual waiver contingent on Local Boards meeting certain criteria and requirements related to that waiver. It also allows the State to track which Local Boards are using which waivers in order to determine its effectiveness at the end of each program year.

Because the current waiver was only applied to PY 2021-22, it is too early to determine true impact without a complete program year of data to compare against. However, 17 Local Boards

are currently approved to utilize this waiver, with more Local Boards indicating they would like to apply in future programs years if an extension of the current waiver is received.

Notice to Local Boards and Public Comment

The Draft State Plan was posted for public comment for 30 days in order to allow the workforce community an opportunity to provide input.

TITLE I-B ASSURANCES

The State Plan must include	Include
1. The State has implemented a policy to ensure Adult program funds provide a priority in the delivery of training services and individualized career services to individuals who are low income, public assistance recipients and basic skills deficient;	Yes
2. The State has implemented a policy to ensure local areas have a process in place for referring veterans with significant barriers to employment to career services provided by the JVSG program's Disabled Veterans' Outreach Program (DVOP) specialist;	Yes
3. The State established a written policy and procedure that set forth criteria to be used by chief elected officials for the appointment of local workforce investment board members;	Yes
4. The State established written policy and procedures to ensure local workforce investment boards are certified by the governor every two years in accordance with WIOA section 107(c)(2);	Yes
5. Where an alternative entity takes the place of a State Board, the State has written policy and procedures to ensure the alternative entity meets the definition under WIOA section 101(e) and the legal requirements for membership;	Yes
6. The State established a written policy and procedure for how the individuals and entities represented on the State Workforce Development Board help to determine the methods and factors of distribution, and how the State consults with chief elected officials in local areas throughout the State in determining the distributions;	Yes
7. The State will not use funds received under WIOA Title I to assist, promote, or deter union organizing in accordance with WIOA section 181(b)(7);	Yes

The State Plan must include	Include
8. The State distributes adult and youth funds received under WIOA equitably throughout the State, and no local area suffers significant shifts in funding from year-to-year during the period covered by this plan;	Yes
9. If a State Workforce Development Board, department, or agency administers State laws for vocational rehabilitation of persons with disabilities, that board, department, or agency cooperates with the agency that administers Wagner-Peyser services, Adult and Dislocated Worker programs and Youth Programs under Title I;	Yes
10. The State agrees to report on the impact and outcomes of its approved waivers in its WIOA Annual Report.	Yes
11. The State has taken appropriate action to secure compliance with the Uniform Guidance at 2 CFR 200 and 2 CFR 2900, including that the State will annually monitor local areas to ensure compliance and otherwise take appropriate action to secure compliance with the Uniform Guidance under section WIOA 184(a)(3);	Yes

ADULT PROGRAM PERFORMANCE INDICATORS

Performance Indicators	PY 2022 Expected Level	PY 2022 Negotiated Level	PY 2023 Expected Level	PY 2023 Negotiated Level
Employment (Second Quarter After Exit)	60.0%	64.0%	60.0%	64.0%
Employment (Fourth Quarter After Exit)	60.0%	61.0%	60.0%	61.0%
Median Earnings (Second Quarter After Exit)	$7000	$7,000	$7000	$7,000
Credential Attainment Rate	60.0%	65.5%	60.0%	65.5%
Measurable Skill Gains	55.0%	55.0%	55.0%	55.0%
Effectiveness in Serving Employers	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]

1

"Effectiveness in Serving Employers" is still being developed and this data will not be entered in the 2022 State Plan modifications.

DISLOCATED PROGRAM PERFORMANCE INDICATORS

Performance Indicators	PY 2022 Expected Level	PY 2022 Negotiated Level	PY 2023 Expected Level	PY 2023 Negotiated Level
Employment (Second Quarter After Exit)	63.0%	68.0%	63.0%	68.0%
Employment (Fourth Quarter After Exit)	63.0%	66.5%	63.0%	66.5%
Median Earnings (Second Quarter After Exit)	$8000	$8508	$8000	$8508
Credential Attainment Rate	63.0%	68.6%	63.0%	68.6%
Measurable Skill Gains	55.0%	55.0%	55.0%	55.0%
Effectiveness in Serving Employers	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]

1

"Effectiveness in Serving Employers" is still being developed and this data will not be entered in the 2022 State Plan modifications.

YOUTH PROGRAM PERFORMANCE INDICATORS

Performance Indicators	PY 2022 Expected Level	PY 2022 Negotiated Level	PY 2023 Expected Level	PY 2023 Negotiated Level
Employment (Second Quarter After Exit)	65.0%	67.7%	65.0%	67.7%
Employment (Fourth Quarter After Exit)	65.0%	65.7%	65.0%	65.7%
Median Earnings (Second Quarter After Exit)	$4000	$3,870	$4000	$3,870
Credential Attainment Rate	60.0%	60.4%	60.0%	60.4%
Measurable Skill Gains	60.0%	57.8%	60.0%	57.8%
Effectiveness in Serving Employers	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]

1

"Effectiveness in Serving Employers" is still being developed and this data will not be entered in the 2022 State Plan modifications.

PROGRAM-SPECIFIC REQUIREMENTS FOR WAGNER-PEYSER PROGRAM (EMPLOYMENT SERVICES)

A. EMPLOYMENT SERVICE STAFF

1. DESCRIBE HOW THE STATE WILL STAFF THE PROVISION OF LABOR EXCHANGE SERVICES UNDER THE WAGNER-PEYSER ACT, SUCH AS THROUGH STATE EMPLOYEES, INCLUDING BUT NOT LIMITED TO STATE MERIT STAFF EMPLOYEES, STAFF OF A SUBRECIPIENT, OR SOME COMBINATION THEREOF.

The State of California will continue to use state merit staff employees to provide labor exchange services under the Wagner Peyser Act. The Employment Development Department, as the State Workforce Agency, is responsible for these employees and will ensure all services are provided as outlined under the Workforce Innovation and Opportunity Act.

2. DESCRIBE HOW THE STATE WILL UTILIZE PROFESSIONAL DEVELOPMENT ACTIVITIES FOR EMPLOYMENT SERVICE STAFF TO ENSURE STAFF IS ABLE TO PROVIDE HIGH QUALITY SERVICES TO BOTH JOBSEEKERS AND EMPLOYERS

The State will provide professional training and development for Employment Services staff using a multi-modality approach (e.g., conduct classroom training, create online training modules, host webinars, disseminate instructional videos, etc.) Training and development activities seek to raise staff's knowledge, skill, and competence level in specific program areas e.g., Migrant and Seasonal Farmworkers (MSFW), Trade Adjustment Assistance Act (TAA), and Veteran Services to ensure staff is able to provide high quality services to job seekers, employers, and WIOA partners.

Training will ensure that all Employment Services staff will have the knowledge base and skill set to successfully administer Wagner-Peyser (W-P) programs and operate the CalJOBS℠ labor exchange system. Further, comprehensive training will give Employment Services staff a thorough understanding of the services and resources at their disposal to competently and effectively serve the job seekers and employers of California, while meeting performance goals and compliance guidelines as outlined in WIOA.

3. DESCRIBE STRATEGIES DEVELOPED TO SUPPORT TRAINING AND AWARENESS ACROSS CORE PROGRAMS AND THE UNEMPLOYMENT INSURANCE (UI) PROGRAM AND THE TRAINING PROVIDED FOR EMPLOYMENT SERVICES AND WIOA STAFF ON IDENTIFICATION OF UI ELIGIBILITY ISSUES AND REFERRAL TO UI STAFF FOR ADJUDICATION

These strategies include:

- Provide training to W-P and WIOA staff on core programs, including TAA, Veterans programs, MSFW, and Youth and Dislocated Worker programs.
- Develop and provide trainings on UI program related activities, including California Training Benefits (CTB), Trade Readjustment Allowance (TRA) benefits, Personalized Job Search Assistance (PJSA), and Reemployment Services and Eligibility Assessments (RESEA). Additionally, the trainings include UI claim filing eligibility basics, UI claim management, maneuvering UI's public facing computer system, and understanding notices sent to claimants. Employment Services and WIOA staff are trained on identification of potential UI eligibility issues that may arise from the PJSA or RESEA and how to refer these potential issues to UI staff for adjudication.

B. EXPLAIN HOW THE STATE WILL PROVIDE INFORMATION AND MEANINGFUL ASSISTANCE TO INDIVIDUALS REQUESTING ASSISTANCE IN FILING A CLAIM FOR UNEMPLOYMENT COMPENSATION THROUGH ONE-STOP CENTERS, AS REQUIRED BY WIOA AS A CAREER SERVICE

California meets the needs of customers requesting assistance in filing UI claims by providing direct in-person customer assistance and guidance. These dedicated America's Job Center of California℠ (AJCC) staff are located in 45 Local Workforce Development Areas (Local Areas) and are trained to assist customers with completing an application for UI benefits through eApply4UI, UI Online, or telephone, along with providing information on the UI program. Additionally, the AJCCs offer resource rooms with staff that can help guide customers through alternate methods of finding resolution to their inquiries available in UI Online, Ask EDD, and the EDD's website.

- Dedicated AJCC staff, trained in providing meaningful UI program assistance, are available in 45 local development areas across the state of California.
- The eApply4UI application guides the customer through a series of online questions to file their initial or reopen an existing claim.
- The UI Online℠ allows existing claimants to reopen their claim, along with many other user-friendly features to help customers manage their UI claims. In an effort to improve customer service to UI claimants and enhance the functionality of UI Online, the EDD began working on building components in UI Online to include the current eApply4UI application for new claim filing capabilities. This functionality will be available in mid-2018.
- Ask EDD provides customers with categories containing information specific to common questions and also allows customers an opportunity to send online questions to UI staff.
- EDD website offers dedicated webpages to access unemployment related services and information, including YouTube videos and Frequently Asked Questions.

When these dedicated AJCC staff, trained to provide in-person meaningful assistance in the UI program, have exhausted all available options within the AJCC to provide assistance, phones are available in the AJCC offices to directly access UI services. The "UI Direct" phone lines connect customers to UI Center merit staff and are available from 8am to 5pm (PST) to serve the state of California customers that require more detailed UI merit staff assistance. The UI Direct phone line service is offered only in the AJCCs and in cases where all other direct in-person attempts, by trained AJCC staff, to provide meaningful UI assistance have been exhausted.

C. DESCRIBE THE STATE'S STRATEGY FOR PROVIDING REEMPLOYMENT ASSISTANCE TO UI CLAIMANTS AND OTHER UNEMPLOYED INDIVIDUALS

California c

California is committed to operating a customer–centric approach to delivering services, aligned with WIOA, for providing reemployment assistance to UI claimants and dislocated workers including:

- Screening the UI applicant pool to identify those individuals that are most likely to exhaust benefits.
- Providing a direct referral to an AJCC orientation or workshop.
- Directing UI customers that are required to seek work to register in the state work search system CalJOBS℠.

- Providing the job seeker, not only job search assistance, but information on the AJCC services and work search assistance videos.
- Identifying dislocated workers who are impacted by foreign trade and ensuring that they receive the applicable employment and case management services.
- Encouraging job seekers to attend an AJCC orientation and refer them to subsequent services, as appropriate. These services include basic and individualized career services, training services, and supportive services. Staff at the AJCCs assist job seekers with conducting skills assessments, developing individual employment plans, and career planning. Job seekers are provided access to job search workshops and activities such as developing résumés and cover letters, searching and applying for job openings, and mock interviews. Finally, job seekers at the AJCCs are provided with access to training, education, and work experience opportunities.

Both UI and W-P program representatives will be involved in the Memorandum of Understanding (MOU) negotiations with Local Area partners to identify appropriate service delivery model. The EDD programs, including UI, are committed to their roles as partners within the AJCC and consistently collaborate internally and with the Local Areas to support the implementation of WIOA.

D. DESCRIBE HOW THE STATE WILL USE W-P FUNDS TO SUPPORT UI CLAIMANTS, AND THE COMMUNICATION BETWEEN W-P AND UI, AS APPROPRIATE INCLUDING THE FOLLOWING:

Currently, the EDD requires all UI claimants (job seekers) to register into the state's labor exchange system, CalJOBS℠, and create a resume. Once registered, job seekers have access to all of the online features, such as: searching for jobs, identifying employment trends and occupational information, using the virtual recruiter to automatically receive alerts of new jobs that match the job skills in their resume, having their resume viewable by employers registered in the system, and accessing local education providers and programs.

In addition, job seekers receive information on the W-P services available at the AJCCs. Job seekers can conduct self-service activities by using resources such as computers and phones to conduct job searches and create a resume through CalJOBS, respond to employment opportunities, manage their UI claim through the EDD website, etc. In addition to self-service options, claimants can also receive staff-assisted services, such as job search workshops, assistance with access and navigating the CalJOBS system, individualized labor market information, referral to veteran services, and referral to education, training, and supportive services.

Both UI and W-P program representatives will be involved in the MOU negotiations with Local Area partners to identify the appropriate service delivery model. The EDD programs, are committed to their roles as partners within the AJCC and consistently collaborate internally and with the Local Areas to support the implementation of WIOA. These two partners are also coordinating internally within the EDD, as this department administers both of these programs.

The California Unemployment Insurance Code, Section 1253(b) and the California Code of Regulations, Title 22, Section 1253(b)-1, contain provisions that mandate the claimant, unless exempt, to register for work by entering a resume on CalJOBS within 21 days after filing a UI claim.

When an individual files a UI claim, the EDD mails the *Notice of Requirement to Register for Work*, DE 8405, to the claimant providing the requirement to register in CalJOBS, including the address and telephone number of their local AJCC. Additionally, the notice advises that failure to comply may result in denial of UI benefits. The UI claimant can walk-in or call the local AJCC for technical support on entering a resume on CalJOBS.

The EDD automatically starts an account in CalJOBS for all new UI claimants and generates notices to claimants that fail to enter a resume within 21 days. These notices require claimants to attend a Personalized Job Search Assistance workshop at a local AJCC. This workshop is designed to provide UI claimants with employment services available through the AJCC, including entering a resume in CalJOBS if not previously done, and to respond to questions about their work search. Failure to attend the PJSA will result in the UI claimant having a stop-pay alert activated on their claim record for determination by UI staff.

California law requires a claimant to register for work, as a condition of eligibility unless good cause is established, by entering a resume in CalJOBS℠ within 21 days after filing a claim for unemployment benefits. Regulations allow the department to waive the registration requirement for claimants that meet specific criteria (such as, union member in good standing, definite return to work date, participating in California Training Benefit program, etc.). If the claimant does not comply with the registration requirement, the EDD schedules the claimant for a Personalized Job Search Assessment (PJSA) or Reemployment Services and Eligibility Assessment (RESEA) appointment to review registration of work within CalJOBS℠ and efforts to search for work. During the assessment, the claimant is referred to a minimum of one additional subsequent service. The EDD also established a virtual platform to deliver PJSA/RESEA workshops and career services, and is looking to further expand these virtual services to better assist claimants throughout the state.

Failure to attend the PJSA or RESEA and subsequent services, along with meeting the registration requirement in CalJOBS℠, are referred to UI adjudication and may result in a denial of UI benefits.

The EDD provides all UI customers information on the CTB program, work search requirements, and CalJOBS℠ registration, and refers these individuals to their local AJCC to obtain employment and training services. At the AJCC, mandatory reemployment workshops connect UI customers with employment services provided under WIOA Title III. In addition, these workshops serve as an access point to inform customers about WIOA Title I and other partner programs and services. This collaborative partnership facilitates a streamlined referral process for UI customers to WIOA programs and services within the AJCC system.

The CTB program allows eligible UI customers to further their education, upgrade their skills, and/or learn a new trade to be more competitive in the labor market while receiving UI benefits. Under the CTB program, the traditional role of UI changes from that of partial wage replacement while the individual looks for work, to one of assisting the individual in training or retraining in an effort to return to full employment. UI customers may be eligible for the program if the individual is attending training authorized by WIOA, Employment Training Panel, Trade Adjustment Assistance, or CalWORKS, if the program and provider are listed on the Eligible Training Provider List, if the individual is an active journey-level union member attending union approved industry-related training, and more. Staff in the AJCCs can provide application assistance to UI customers interested in the CTB program.

E. AGRICULTURAL OUTREACH PLAN (AOP). EACH STATE AGENCY MUST DEVELOP AN AOP EVERY FOUR YEARS AS PART OF THE UNIFIED OR COMBINED STATE PLAN REQUIRED UNDER SECTIONS 102 OR 103 OF WIOA. THE AOP MUST INCLUDE AN ASSESSMENT OF NEED. AN ASSESSMENT NEED DESCRIBES THE UNIQUE NEEDS OF FARMWORKERS IN THE AREA BASED ON PAST AND PROJECTED AGRICULTURAL AND FARMWORKER ACTIVITY IN THE STATE. SUCH NEEDS MAY INCLUDE BUT ARE NOT LIMITED TO: EMPLOYMENT, TRAINING, AND HOUSING.

1. ASSESSMENT OF NEED. PROVIDE AN ASSESSMENT OF THE UNIQUE NEEDS OF FARMWORKERS IN THE AREA BASED ON PAST AND PROJECTED AGRICULTURAL AND

FARMWORKER ACTIVITY IN THE STATE. SUCH NEEDS MAY INCLUDE BUT ARE NOT LIMITED TO: EMPLOYMENT, TRAINING, AND HOUSING.

California's Agricultural Outreach Plan (Ag Plan) sets policies and procedures for providing Wagner–Peyser services to the agricultural community, specifically MSFWs. The EDD provides these services through AJCC locations. The EDD ensures that MSFWs receive the full range of employment, training, and educational services on a basis which is qualitatively equivalent and quantitatively proportionate to services provided to non–MSFWs. This Ag Plan is submitted in accordance with the regulations at 20 CFR 653.107(d) to include:

- Assessment of the unique needs of MSFWs in the area based on past and projected agricultural and MSFW activity in the State.
- Assessment of available resources for outreach.
- Proposed outreach and planned activities including strategies on how to contact MSFWs, activities planned for providing the full range of employment, and training services to the agricultural community.
- Compliance assurance with requirements under 20 CFR 653.111 for Significant, Multilingual, and Special Circumstance (Designated) MSFW AJCC offices.

2. AN ASSESSMENT OF THE AGRICULTURAL ACTIVITY IN THE STATE MEANS: 1) IDENTIFYING THE TOP FIVE LABOR-INTENSIVE CROPS, THE MONTHS OF HEAVY ACTIVITY, AND THE GEOGRAPHIC AREA OF PRIME ACTIVITY; 2) SUMMARIZE THE AGRICULTURAL EMPLOYERS' NEEDS IN THE STATE (I.E. ARE THEY PREDOMINANTLY HIRING LOCAL OR FOREIGN WORKERS, ARE THEY EXPRESSING THAT THERE IS A SCARCITY IN THE AGRICULTURAL WORKFORCE); AND 3) IDENTIFYING ANY ECONOMIC, NATURAL, OR OTHER FACTORS THAT ARE AFFECTING AGRICULTURE IN THE STATE OR ANY PROJECTED FACTORS THAT WILL AFFECT AGRICULTURE IN THE STATE

Value of Agricultural Production

The value of total agricultural production in California, crop and livestock production combined, totaled $49.9 billion in 2019. This ranked California as the nation's largest agricultural producer in 2019, outpacing Iowa ($27.5 billion) and Nebraska ($21.4 billion). California alone accounted for about one-eighth (13.5 percent) of the national agricultural production. California was far and away the nation's leader in crop production in 2019, with crops produced valued at $37.6 billion. The state accounted for 19.4 percent of the value of total U.S. crop production. In contrast, Illinois and Iowa were the second and third largest crop producing states in 2019, combining for 14.1 percent of total U.S. crop production. California's livestock production was valued at $12.3 billion in 2019, third highest among all states after Texas and Iowa.

Table 1 shows the nation's largest agriculture, crop, and livestock producing states in 2019.

Table 1

Largest Agricultural Producing States in the United States in 2019

(Values are expressed as millions of dollars)

Total			Crop Production Only			Livestock Production Only		
	Value	Share of U.S. Total		Value	Share of U.S. Total		Value	Share of U.S. Total
U.S.	**$369,321**	**-**	**U.S.**	**$193,328**	**-**	**U.S.**	**$175,993**	**-**
CA	$49,938	13.5%	CA	$37,599	19.4%	TX	$14,356	8.2%
IA	$27,488	7.4%	IL	$13,787	7.1%	IA	$14,005	8.0%
NE	$21,436	5.8%	IA	$13,483	7.0%	CA	$12,339	7.0%
TX	$21,249	5.8%	NE	$ 9,537	4.9%	NB	$11,899	6.8%
MN	$16,633	4.5%	MN	$ 8,784	4.5%	KS	$ 9,722	5.5%
IL	$16,318	4.4%	TX	$ 6,893	3.6%	WI	$ 7,902	4.5%
KS	$16,301	4.4%	IN	$ 6,856	3.5%	MN	$ 7,849	4.5%
WI	$11,247	3.0%	WA	$ 6,635	3.4%	NC	$ 7,419	4.2%
NC	$10,603	2.9%	KS	$ 6,579	3.4%	GA	$ 5,437	3.1%
IN	$10,587	2.9%	ND	$ 6,360	3.3%	OK	$ 5,296	3.0%

California's agricultural production has increased in value by $0.3 billion (1.0 percent) from 2018 to 2019. Crop production in California has decreased by $0.2 billion (0.5 percent) in value over the year. Total livestock productions has increased in 2019 by $0.5 billion (4.5 percent). Over the seven-year period from 2013 through 2019, California's agricultural production has decreased in value by $1.7 billion (3.2 percent). Crop production decreased by $1.2 billion (3.1 percent), and the livestock production has decreased by $0.5 billion (3.6 percent) over the seven-year period.

In 2019, crop production accounted for 75.3 percent of total agricultural production in California. By commodity group, fruit and nut products were valued at $21.4 billion in 2019, comprising over one-third (42.9 percent) of the total value of the state's agricultural products and more than half (57.0 percent) of the value of the crops produced in the state. Vegetables and melons were valued at $8.2 billion, accounting for over one-fifth of the value of crops produced in California.

Livestock and livestock products made approximately one-fourth (24.7 percent) of the total value of California's agricultural production in 2019. Dairy products were valued at $7.3 billion, comprising almost three-fifths (59.5 percent) of total value of the state's livestock products.

"Meat Animals" (cattle and calves and hogs) and poultry and egg products were valued at $3.1 and $1.3 billion, respectively in 2019.

On an individual commodity basis, milk and cream (dairy products) was California's leading commodity in 2019, with cash receipts totaling $7.3 billion. Shelled almonds and grapes were California's second and third most valuable commodities, with cash receipts totaling $6.1 billion and $5.4 billion, respectively. The cash receipts of seven other California commodities exceeded $1 billion in 2019: cattle and calves, berries, pistachios, lettuce, walnuts, tomatoes, and flowers. Only eight of California's 20 most valuable commodities in 2019 decreased in value from the prior year. Table 2 shows California's twenty most valuable agricultural commodities in 2019, as well as their value and ranking in 2018.

Table 2

California's Top 20 Agricultural Commodities in Value, 2018-2019

(Cash receipt values are expressed as millions of dollars)

	2018		2019	
Commodity	**Value**	**Rank**	**Value**	**Rank**
Dairy Products, Milk	$ 6,371	1	$ 7,341	1
Almonds	$ 5,603	3	$ 6,094	2
Grapes	$ 6,260	2	$ 5,412	3
Miscellaneous Crops	$ 4,273	4	$ 4,287	4
Cattle & Calves	$ 3,189	5	$ 3,064	5
Strawberries	$ 2,086	7	$ 2,221	6
Pistachios	$ 2,616	6	$ 1,939	7
Lettuce	$ 1,787	8	$ 1,824	8
Walnuts	$ 917	13	$ 1,286	9
Tomatoes	$ 1,198	10	$ 1,174	10
Floriculture	$ 1,216	9	$ 1,015	11
Rice	$ 780	14	$ 897	12
Broilers	$ 965	12	$ 843	13
Carrots	$ 655	18	$ 810	14
Hay	$ 766	15	$ 787	15
Broccoli	$ 679	17	$ 786	16
Oranges	$ 1,093	11	$ 699	17
Lemons	$ 682	16	$ 688	18
Tangerines	$ 556	19	$ 680	19
All other animals & products	$ 553	20	$ 553	20

Total value is based on U.S. Department of Agriculture (USDA) Economic Research Service cash receipts.

Source: USDA, National Agricultural Statistics Service, Pacific Region-California; California Agricultural Statistics 2019-2020 Crop Year

On a cash receipt basis, California produced all of the nation's almonds, walnuts, pistachios, garlic, plums and prunes, olives, honeydews, artichokes, kiwifruit, and celery in 2019. Nine additional California commodities comprised more than four-fifths (80.0 percent) of national cash receipts: avocados, tangerines, broccoli, carrots, grapes, cotton lint, strawberries, raspberries, and lemons. Cauliflower and apricots accounted for more than three-quarters (75.0 percent) of national cash receipts. Accounting for more than half was spinach, tomatoes, cabbage, cantaloupes, safflower, dates, peaches, and lettuce. Table 3 shows the shares of cash receipts for California commodities as a share of national totals.

Table 3

Leading California Agricultural Commodities in 2019: California Cash Receipts as a Percent of the Nation's Receipts

(Values are expressed as millions of dollars)

Commodity	Value of California Receipts	Value of U.S. Receipts	California's Share of U.S. Receipts (%)
Almonds	$ 6,094	$ 6,094	100.0
Pistachios	$ 1,938	$ 1,938	100.0
Walnuts	$ 1,286	$ 1,286	100.0
Celery	$ 475	$ 475	100.0
Garlic	$ 327	$ 327	100.0
Plums and Prunes	$ 252	$ 252	100.0
Olives	$ 130	$ 130	100.0
Nectarines	$ 129	$ 129	100.0
Kiwifruit	$ 86	$ 86	100.0
Artichokes	$ 79	$ 79	100.0
Honeydews	$ 59	$ 59	100.0
Tangerines	$ 680	$ 701	97.0
Grapes	$ 5,412	$ 5,720	94.6
Lemons	$ 688	$ 731	94.2
Carrots	$ 810	$ 864	93.8
Avocados	$ 373	$ 399	93.6
Cotton lint, Long staple	$ 372	$ 410	90.7
Broccoli	$ 786	$ 873	90.1
Raspberries	$ 386	$ 432	89.4
Strawberries	$ 2,221	$ 2,529	87.9
Apricots	$ 40	$ 51	78.7
Cauliflower	$ 366	$ 466	78.6
Spinach	$ 389	$ 527	73.8
Tomatoes	$ 1,174	$ 1,600	73.4
Cabbage	$ 321	$ 495	64.8
Cantaloupes	$ 193	$ 303	63.5
Safflower	$ 28	$ 45	62.4
Dates	$ 137	$ 224	61.4
Peaches	$ 296	$ 519	57.1
Lettuce	$ 1,824	$ 3,491	52.3

The estimated value of California's exported agricultural products totaled $23.5 billion in 2019. In terms of value, California's exports comprised over one-sixth (17.3 percent) of total U.S. agricultural exports in 2019. California was the nation's top agricultural exporter in 2019, with exports over twice of those of Iowa. Table 4 shows the estimated value of the top ten states in terms of agricultural exports from 2014 through 2019.

Table 4

Largest Agriculture Exporting States in the United States: 2014-2019

(Estimated values are expressed as millions of dollars)

	2014	2015	2016	2017	2018	2019
U.S.	**$149,953**	**$133,016**	**$134,629**	**$138.127**	**$138,916**	**$135, 950**
CA	$ 23,931	$ 22,844	$ 21,799	$ 22,657	$ 23,305	$ 23,463
IA	$ 11,197	$ 9,987	$ 11,006	$ 10,367	$ 10,647	$ 10,009
IL	$ 9,836	$ 8,034	$ 8,300	$ 8,067	$ 8,488	$ 7,838
MN	$ 7,386	$ 6,339	$ 7,038	$ 6,955	$ 6,943	$ 6,367
TX	$ 6,274	$ 5,739	$ 5,785	$ 6,889	$ 6,883	$ 6,300
NE	$ 7,235	$ 6,479	$ 6,679	$ 6,349	$ 6,802	$ 6,294
KS	$ 4,627	$ 4,163	$ 4,717	$ 4,829	$ 4,882	$ 4,938
IN	$ 5,810	$ 4,706	$ 4,543	$ 4,755	$ 4,649	$ 4,472
ND	$ 4,899	$ 3,817	$ 4,614	$ 4,400	$ 4,246	$ 4,088
MO	$ 4,342	$ 3,611	$ 3,554	$ 4,072	$ 3,939	$ 3,759

California's agricultural exports increased by $0.2 billion (0.7 percent) from 2018 to 2019. During the recent economic expansion, California's agricultural exports increased $3.3 billion (16.2 percent) from 2012 through 2019. Tree nuts were California's most valuable export crop in 2019 with an estimated value of $8.5 billion, followed by "other plant products" which includes sweeteners, plantings seeds, cocoa, coffee, and other processed foods ($3.4 billion), fresh fruits ($2.8 billion), and processed fruits ($2.4 billion).

Fresno was the largest agriculture producing county in California in 2019, with agricultural production valued at $7.7 billion. The value of agricultural production exceeded $4 billion each in Fresno, Kern, Tulare, and Monterey counties and exceeded $2.0 billion each in Stanislaus, Merced, San Joaquin, Kings, and Imperial counties. A total of 14 California counties each produced agricultural products valued at more than $1 billion in 2019. These counties are shown in Table 5.

The value of agricultural production decreased from 2018 to 2019 in 6 of California's 14 largest agricultural counties. The largest over-the-year decrease in agricultural production was for Imperial County (9.4 percent), which was followed by Ventura, Kings, Fresno, Madera, and San Diego counties. In contrast, the value of agricultural production over-the-year was increased in Santa Barbara (6.6 percent), Tulare, Monterey, Kern, San Joaquin, Riverside, and Merced counties; Stanislaus County experienced no over the year change.

Table 5

Top California Counties as Ranked by Gross Value of Agricultural Production, 2018-2019

(Values are expressed as millions of dollars)

County	2018 Value	2018 Rank	2019 Value	2019 Rank	Percent Change: 2018 to 2019
Fresno	$ 7,942	1	$ 7,715	1	-12.9%
Kern	$ 7,470	2	$ 7,693	2	3.0%
Tulare	$ 7,113	3	$ 7,509	3	5.6%
Monterey	$ 4,259	4	$ 4,427	4	3.9%
Stanislaus	$ 3,528	5	$ 3,527	5	0.0%
Merced	$ 3,252	6	$ 3,271	6	0.6%
San Joaquin	$ 2,594	7	$ 2,638	7	1.7%
Kings	$ 2,281	8	$ 2,188	8	-4.1%
Imperial	$ 2,226	9	$ 2,016	9	-9.4%
Madera	$ 2,056	11	$ 1,999	10	-2.8%
Ventura	$ 2,103	10	$ 1,998	11	-5.0%
San Diego	$ 1,770	12	$ 1,754	12	-0.9%
Santa Barbara	$ 1,522	13	$ 1,622	13	6.6%
Riverside	$ 1,299	14	$ 1,321	14	1.7%

Agricultural Employment in California

Employment in agriculture is inherently difficult to estimate because agricultural production, and in particular crop production, is characterized by seasonal spikes in the demand for farm labor, some of which are often of short duration. For example, most crops must be planted at certain times of the year, weeded and pruned, and perhaps most importantly harvested and prepared for market as they ripen. As a result, California agriculture-based employers have traditionally employed large numbers of seasonal, and often migrant farmworkers who move from farm to farm and region to region. However, official estimates of agricultural employment are derived from a survey of agricultural establishments that participate in the unemployment insurance system and are thus more likely to count more permanent agricultural workers than MSFWs

According to official estimates from the California Employment Development Department (EDD), payrolls in California's farm sector totaled 422,700 jobs in 2019. Farm jobs made up just 2.4 percent of California's total industry employment in 2019.

On an annual average basis, California farm payrolls increased by 900 jobs (0.2 percent) from 2018 to 2019, and decreased by 800 jobs (0.2 percent) from 2017 to 2018. Total farm

employment has been remarkably stable over the last decade amidst year-to-year variability. From 2009 through 2019, annual average total farm employment in California grew by 50,800 jobs (13.7 percent), an average of 5,000 jobs per year.

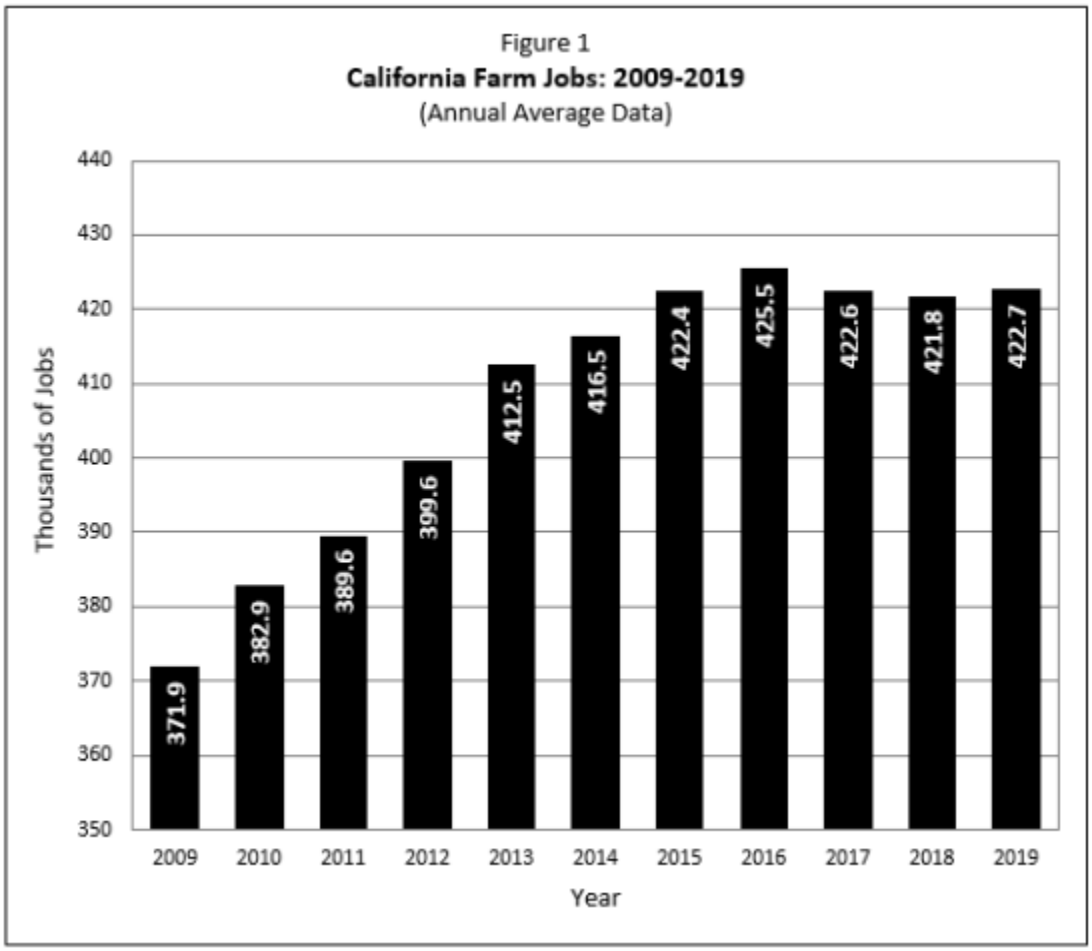


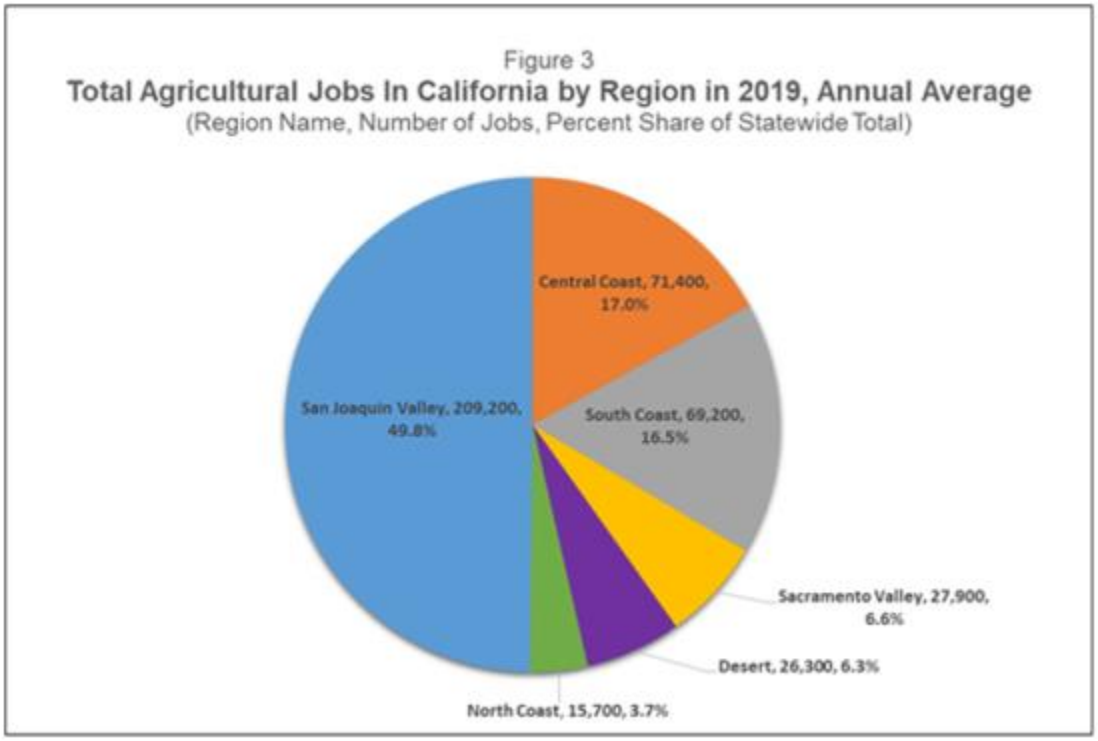
Figure 1 shows the number of estimated farm jobs in California from 2009 through 2019.

Source: Employment Development Department, Current Employment Statistics Data

California agricultural employment estimates are broken out into six regions: Central Coast, Desert, North Coast, Sacramento Valley, San Joaquin Valley, and South Coast. These regions are displayed on the map in Figure 2.

Almost half (49.8 percent) of California's agricultural jobs were in the San Joaquin Valley Region in 2019. Employers in the Central Coast and South Coast regions accounted for one-third (33.5 percent) of the state's agricultural jobs. Individually, the Central Coast and South Coast Regions accounted for 17.0 and 16.5 percent of total agricultural employment, respectively. California's remaining agricultural jobs were distributed across the smaller Sacramento Valley, Desert, and North Coast Regions, each of which accounted for less than 7.0 percent of the state's agricultural jobs.

Figure 3 displays the distribution of California agricultural jobs by region in 2019 by number and as a percentage share of total agricultural employment.



Source: Employment Development Department, Agricultural Employment Data Series.
*Percentage will not sum due to rounding.

Figure 4 displays the distribution of California agricultural employment by county for 2017.

Table 6 shows the mean and median wages of selected agricultural occupations in California in the first quarter of 2019, with the occupations ranked by mean annual wage. The data were derived from information collected through the Occupational Employment and Wage Statistics (OEWS) Program, a federally sponsored survey program conducted through a cooperative agreement between the federal Bureau of Labor Statistics and the EDD.

Table 6 **Agricultural Wages by Occupation in California: First Quarter 2019**						
			2019 - 1st Quarter Wages			
SOC Code	**Occupational Title**	**May 2018 Employment Estimates**	**Mean Hourly Wage**	**Mean Annual Wage**	**Median Hourly Wage**	**Median Annual Wage**
11-9013	Farmers, Ranchers, and Other Agricultural Managers	1,460	$44.92	$93,446	$38.69	$80,469
13-1074	Farm Labor Contractors	160	$27.90	$58,023	$26.50	$55,128
45-2011	Agricultural Inspectors	1,930	$24.43	$50,818	$22.26	$46,291
45-1011	First-Line Supervisors of Farming, Fishing, and Forestry Workers	6,790	$23.17	$48,183	$20.09	$41,784
45-2021	Animal Breeders	250	$19.25	$40,044	$17.36	$36,107
45-2099	Agricultural Workers, All Other	1,790	$18.70	$38,895	$15.52	$32,261
45-2091	Agricultural Equipment Operators	5,740	$15.74	$32,739	$14.72	$30,623
45-2093	Farmworkers, Farm, Ranch, and Aquacultural Animals	2,510	$15.41	$32,048	$14.23	$29,606
45-2092	Farmworkers and Laborers, Crop, Nursery, and Greenhouse	194,850	$12.83	$26,696	$11.85	$24,661
45-2041	Graders and Sorters, Agricultural Products	9,680	$12.30	$25,577	$11.91	$24,794

Source: Employment Development Department, OEWS Survey

Most California farmworkers earn low wages. The median annual wage in the three largest non-supervisory agricultural occupational groups, in terms of employment, was around $30,000 or less in the first quarter of 2019: agricultural equipment operators ($30,623); graders and sorters, agricultural products ($24,794); and farmworkers and laborers, crop, nursery, and greenhouse ($24,661). According to OEWS employment estimates, these three occupational groups comprised 93.4 percent of total agricultural employment.

Farmers, ranchers, and other agricultural managers, with a median annual wage of $80,469, earned the highest wages in agriculture. This occupational group comprised just 0.6 percent of overall agricultural employment in May 2018. The next highest paying agricultural occupations were: farm labor contractors ($55,128); agricultural inspectors ($46,291); and first-line supervisors of farming, fishing, and forestry workers ($41,784).

The Impacts of COVID-19 and Agricultural Technology on Today's Farm Workforce

Research has shown that the coronavirus disease 2019 (COVID-19) pandemic and advances in agricultural technology have had an impact on the day-to-day operations of California's agriculture employers and their respective employees. COVID-19 has increased the number of health-related safety options available to workers, and advanced agricultural technology has accelerated the usage of mechanization and reduced reliance on manual labor in some aspects of farm production.

Research undertaken by the University of California (UC) Davis found that following the issuance of the stay-at-home orders in March 2020, most farm employers took immediate steps to reduce the spread of COVID-19 amongst its workforce and, with the help of government assistance, these steps are ongoing. The steps taken by agriculture businesses included, but were not limited to, the following: updating their injury and illness prevention programs, discouraging sick employees from reporting to work, implementing physical distancing while working and during breaks, and the distribution of personal protective equipment (PPE).[1] These steps were taken in addition to pre-pandemic safety protocols, such as the wearing of hairnets and gloves to promote food safety. Public health officials have also supported employer efforts to educate farmworkers about COVID-19 and how to avoid being infected and transmitting the disease.

Advancements in agricultural technology have increased its use on California farms over the years as a means for developing the most cost-effective methods for the growing, harvesting, and delivering of agricultural goods. UC Davis research suggests that rising labor costs (i.e., increase in minimum wage) and declining machinery costs are accelerating the mechanization of various agricultural commodities such as the canning of peaches and raisin production.[2] In addition, through the use of aerial imaging (i.e., satellite imaging, drone technology), farmers can view crop variations, target issues with farm acreage, and/or predict crop yields more accurately, thus increasing profits and reducing food waste.[3] Trends such as these are likely to continue and expand over the long-term.

The current means of data collection conducted at the state and federal level do not allow for an accurate estimate of the net employment impact of mechanization on the farm workforce, but qualitative data from various members of the farm industry (e.g., farm labor contractors, farmers, consultants) have reported its relative impact on employment.

Effects of 2021 Drought on California's Agricultural Employment

It is inherently difficult to predict what effects a drought will have on agricultural employment because each drought varies in terms of length and severity, the responses or coping measures agricultural employers take to mitigate the effects of a drought, and the effectiveness of water management strategies and policies of public agencies and government entities.

Agricultural employment losses often are less than feared or first expected during droughts because many farmers shift production to less water intensive crops, adopt more water efficient irrigation techniques, and rely on groundwater to compensate for water shortages. Water allocation and re-allocation efforts may also help mitigate the effects of the drought. Agricultural employers may also reduce the number of hours worked but not the overall number of jobs.

Commodity price fluctuations may alter the level of agricultural employment, as increases can at least partially offset any increased production costs related to the drought. If commodity prices drop, the rising cost of production may eliminate any incentive to continue seasonal activities. This is often seen to have the greatest effect in ranching and livestock farming during a drought.

It will be particularly difficult to isolate any employment effects of 2021 drought from available employment data because the COVID-19 pandemic and changes to U.S. immigration policies have also affected California's agricultural employment patterns in recent years.

[1] Martin, Philip L., COVID-19 and California farm labor. California Agriculture. Volume 74, Number 2, April-June 2020.

[2] Martin, Philip L., COVID-19 and California farm labor. California Agriculture. Volume 74, Number 2, April-June 2020.

[3] Trimble. Top Ten Agricultural Trends to Watch in 2021.Jan 2021.

3. AN ASSESSMENT OF THE UNIQUE NEEDS OF FARMWORKERS MEANS SUMMARIZING MIGRANT AND SEASONAL FARM WORKER (MSFW) CHARACTERISTICS (INCLUDING IF THEY ARE PREDOMINANTLY FROM CERTAIN COUNTRIES, WHAT LANGUAGE(S) THEY SPEAK, THE APPROXIMATE NUMBER OF MSFWS IN THE STATE DURING PEAK SEASON AND DURING LOW SEASON, AND WHETHER THEY TEND TO BE MIGRANT, SEASONAL, OR YEAR-ROUND FARMWORKERS). THIS INFORMATION MUST TAKE INTO ACCOUNT DATA SUPPLIED BY WIOA SECTION 167 NATIONAL FARMWORKER JOBS PROGRAM (NFJP) GRANTEES, OTHER MSFW ORGANIZATIONS, EMPLOYER ORGANIZATIONS, AND STATE AND/OR FEDERAL AGENCY DATA SOURCES SUCH AS THE U.S. DEPARTMENT OF AGRICULTURE AND THE U.S. DEPARTMENT OF LABOR (DOL) EMPLOYMENT AND TRAINING ADMINISTRATION

Number of MSFWs in California

The official estimates of agricultural employment in this report are derived from agricultural labor data that the EDD, in collaboration with the USDA, compiles from monthly surveys of farm owner-operators in California. Agricultural employers who participate in the survey report the number of jobs filled by all workers in their establishments during the survey's reference week.[1] However, given the crop cycle, demand for farm labor tends to be highly seasonal with peak periods of demand for work that is often of short duration. As a result, high job turnover and worker mobility are distinguishing features of the agricultural labor market. While official employment estimates, based on surveys, count permanent farm jobs and include any jobs filled by MSFWs identified by employers as working during the survey's reporting week, they do not necessarily count positions that are filled by MSFWs at other times of the month. Moreover, an analysis of the public use data from DOL's 2017-2018 National Agricultural Workers Survey (NAWS)[2] indicated that 41.0 percent of California farmworkers were undocumented[3], many of whom were employed under informal work arrangements. As such, official estimates of agricultural jobs most likely understate the actual number of individuals in California's agricultural workforce. This is particularly true of MSFWs.

This report provides a best estimate of the number of MSFWs in California in 2019 because data unavailability and limitations preclude making a precise estimate. A seasonal farmworker is defined as an individual who works 149 days or less of the year on a farm. A migrant farmworker as one who travels more than 75 miles to obtain a job in U.S. agriculture. The best estimate relies on official 2019 survey-based agricultural employment estimates. One such 2019 study published in *California Agriculture* that was undertaken by UC Davis and EDD's Labor Market Information Division (LMID)[4] that estimated the actual number of farmworkers in 2016 and calculated a ratio of actual farmworkers to the number of officially estimated farm jobs, and findings from the 2017-18 NAWS survey to estimate the number of MSFWs.

MSFWs are typically employed as crop workers and demand for their labor ebbs and flows with the crop production cycle. Under the North American Industry Classification System (NAICS), crop production jobs are counted in two industries: crop production and farm labor contractors and crew leaders. Whereas crop production jobs are mostly field-based and reported directly by growers, farm labor contractors supply workers to farms and a job reported by a farm labor contractor may include work done on more than one farm. In 2019, employment in crop production totaled 163,200 jobs and farm labor contractors reported an additional 150,700 jobs, yielding a combined total of 313,900 crop production jobs in California. Three-quarters (74.7 percent) of all agricultural jobs in California in 2019 were in crop production.

The 2019 study by UC Davis and the EDD-LMID compared the number of agricultural workers to the number of officially reported farm jobs in 2016 based on an analysis of the comprehensive wage and employment records that are maintained by EDD-LMID. The study used social security numbers (SSN) to identify and count the number of workers in agricultural establishments as coded under NAICS. After making adjustments for what appeared to be false or shared SSNs, the study determined that there were 989,500 unique SSNs reported by agricultural establishments in 2016. In contrast, the official EDD estimate was that California

had 425,400 agricultural jobs in 2016. Based on these findings, the UC Davis/EDD-LMID study concluded that there were 2.3 agricultural workers for every reported agricultural job in California in 2016. This was up from 2.0 in 2015.

Assuming that most MSFWs are primarily crop workers employed by growers and farm labor contractors, the estimated number of MSFWs in California in 2019 was calculated as follows:

- In 2019, the reported number of crop production and farm labor contractor jobs totaled 163,200 and 150,700, respectively, for a total of 313,900 jobs in the crop production. Assuming that there were 2.3 farmworkers for every officially estimated job, this implies that there were 722,000 crop workers in California in 2019.
- Analysis of the 2017-2018 NAWS public use data indicated that 79.1 percent of California farmworkers reported that they worked for their employer on a year-round basis and 20.9 percent reported they worked on a seasonal basis. The 2017-2018 NAWS data also indicated that 14.0 percent of crop farmworkers in California were migrants. Applying the NAWS-derived estimated shares of crop workers who were seasonal to the estimated number of crop workers in 2019, yields an estimate that there were approximately 150,900 seasonal farm workers in California in 2019, of whom 21,100 were migrant workers.
- It should be noted that the NAWS survey data shows that the share of seasonal farmworkers fell from 40.1 percent in 2015-2016 to 20.9 percent in 2017-2018. There were correspondingly large decreases in the shares of undocumented farmworkers (from 56.0 to 41.0 percent) and labor-contracted farmworkers (from 38.0 to 23.0 percent) over the same period. Although it is not immediately clear why these changes occurred, the U.S. federal government's adoption of strict immigration controls after 2016 likely played a role.

The best estimate calculations are also summarized in tabular format below.

Table 7

Estimated Number of MSFWs in California in 2019

(Estimates are rounded to the nearest hundred)

Total Jobs in Crop Production (Official Estimates)	**313,900**
Assumed Farmworkers to Job Ratio	2.3
Estimated Number of Crop Workers in California	**722,000**
Share of Farmworkers Who Work Seasonally (NAWS)	20.9%
Estimated Number of Seasonal Farmworkers in California	**150,900**
Share of Farmworkers Who Are Migrants (NAWS)	14.0%
Estimated Number of Migrant Farmworkers in California	**21,100**

Source: EDD-LMID

Note: Seasonal and migrant shares as reported or calculated based on 2017-2018 NAWS survey data.

4. OUTREACH ACTIVITIES

The EDD operates an MSFW Outreach Program consisting of 29 primary outreach workers located in 31 Designated AJCCs throughout the State. The outreach workers provide MSFWs

with information on the services and resources available at local AJCCs, Community Based Organizations (CBO), and other State and federal agencies serving MSFWs in the area.

The outreach workers spend 85 percent of their time in outreach activities contacting MSFWs where they live, work, or gather. Typically, MSFWs live in economically depressed locations in the outskirts of cities or in farm homes. Often the housing infrastructure for MSFWs is inadequate. Therefore, due to the isolation and conditions in which MSFWs live, barriers are created, thereby preventing them from accessing social services, community resources, and employment and training services.

The work of the MSFW outreach worker is normally performed outdoors in remote areas in varied weather conditions, around pesticides, and machinery. The outreach workers are frequently required to drive on dirt roads off main highways often impacted by extreme weather conditions or by irrigated farm fields requiring the use of 4–wheel drive vehicles.

By acknowledging that many MSFWs live in isolated areas, the outreach workers are strategic in how they reach MSFW. The outreach worker collaborates with agricultural employers and conducts outreach efforts to promote the full range of employment, training, referral and supportive services to MSFWs. All outreach staff must be multilingual and spend a majority of their time conducting outreach where MSFWs work, live and congregate. Statewide outreach strategies include:

- Utilizing local networks with state, community and local partners that provide services to MSFWs to identify community events and have presence to share information and educate MSFWs about resources available to them.
- Statewide, the EDD promotes local coordination with partner agencies to compliment efforts to reach the MSFW community. The collaboration involves working strategically to disseminate resources material focused on educating the farmworker community on topics pertaining labor law, health, safety and supportive services. Recent efforts include working with the Labor Workforce Development Agency and Cal/OSHA to address COVID-19 safety and protection awareness, H-2A assurances, and distribution of Disaster Preparedness outreach packet material.
- Strategic and regular collaboration with local non–profit and advocacy organizations occurs statewide to ensure we are reaching the MSFW population to adequately address their needs. Engaging with MSFWs in a manner that is culturally and linguistically appropriate to meet their needs.
- Augmented staff resources, the EDD allocated an additional 3.5 PY to conduct additional outreach and assist with additional outreach in counties with a high estimated number of MSFWs and large H-2A footprint of foreign workers performing agricultural work. This increased the outreach budget from 22.94 PY to 26.44 PY for SFY 2020-21.

The EDD uses all of the methods referenced in this section to increase the capacity of its outreach staff. Additionally, the EDD Foreign Labor and Farmworker Services Group (FLFSG) hosts MSFW outreach quarterly conference calls that provide an open forum for representatives from EDD, partners, and CBOs to discuss the delivery of services, training programs, and technical support to better serve MSFWs. Participants are able to share best practices, discuss outreach goals for the upcoming quarter, and promote partnerships with state agencies and CBOs. The MAO and FLFSG obtain feedback to update and enhance EDD´s policies and procedures. Keynote speakers are invited to provide information and educational material at each quarterly conference call.

Below are examples of the topics discussed during the MSFW quarterly conference calls in the past two State PYs:

- The Agricultural Labor Relations Board provided an overview of its role and responsibilities, type of complaints it investigates, and best practices for collecting information to process complaints. The MAO provided information regarding the elements it reviews during the on-site annual review of the Designated MSFW AJCCs for staff and management. The information focused on the MSFW Outreach Program daily and monthly reports, the recruitment of workers to the H-2A Temporary Agricultural Program (H-2A) job orders, and the Migrant Indicator of Compliance (MIC) report.
- The Department of Industrial Relations (DIR) Division of Labor Standards Enforcement presented information regarding wages in California including the 2019 minimum wage, overtime requirements in agricultural, and MSFWs paid piece rate wages. In addition, Cal/OSHA presented information on best practices regarding heat illness prevention.
- The UC Davis Western Center for Ag Health & Safety Training was invited to provide a training regarding COVID-19 key prevention practices for employees to protect themselves in the field and COVID-19 interim guidance for agricultural employers to protect their employees in the workplace.
- To address the COVID-19 pandemic concerns, Cal/OSHA presented on the safety and health guidance to prevent COVID-19 infection in the agricultural industry. In addition each of the Workforce Service Divisions were invited to discuss their innovative communication strategies with agricultural employers and farmworkers while following the latest health and safety guidelines.
- Cal/OSHA's Occupational Safety and Health Enforcement Outreach Coordination Program shared a training that covered CCR, Title 8 sections 3205 – 3205.4: COVID-19 Prevention, Multiple COVID-19 Infection and COVID-19 Outbreaks, Major COVID-19 Outbreaks, Prevention in Employer-Provided Housing, COVID-19 Prevention in Employer-Provided Transportation to and from Work.
- The California Department of Fair Employment and Housing provided a series of trainings to keep the MSFW Outreach Program staff and management informed on violations that constitute discrimination in work and living spaces, as well as sexual harassment and labor trafficking.
- During the fourth quarter of PY 2020-21, all California NFJP Grantee directors, including the newest NFJP grantee, Western Center for West Hills Community College District, shared a high-level overview presentation on common supportive services to MSFWs, their collaboration with local organizations, and service area.

The EDD has continued its efforts to increase outreach workers' awareness of core programs by completing the following:

- Providing training on core programs, including California Training Benefits, UI, Trade Adjustment Assistance, Veteran's programs, and Youth and Dislocated Worker programs.
- Developing and providing two-hour training on the UI program. The training included UI claim filing eligibility basics, UI claim management, maneuvering UI's public facing computer system, and understanding notices sent to claimants. The UI training also included requirements to seek work and the results of non–compliance.
- The SWA obtained access to the UI Direct phone line by adding the outreach worker's cell phone number to the list of authorized phone numbers. This effort is a victory for the farmworker population because it expands the access point for UI Direct and allows outreach workers to provide meaningful assistance when they encounter farmworkers with complicated UI claims.

- During the first quarter of PY 2020-21, the MSFW Outreach Program staff and management received training by a DIR Labor Commissioner to address the 2021 COVID-19 Supplemental Paid Sick Leave overview and benefits. In addition, a representative from the EDD State Disability Insurance Program gave a training on eligibility filing process, and claimant resource material for outreach workers to utilize and share with the farmworker community.

The State will use professional development activities that increase cultural and linguistic related competencies for outreach staff to ensure they are able to provide high quality services to both job seekers and employers. These training activities will enable staff to assist MSFW job seekers with knowing and improving their skills, obtaining the best job possible, and progressing in a Career Pathway. Furthermore, these training activities will provide employers with access to qualified candidates and strengthen their businesses. Staff will be provided with the required information about core programs, including UI, and hear a consistent message regarding expected levels of performance, service delivery and service quality.

In PY 2020-21, the SWA provided multiple trainings and published Internal Administrative Notices to provide technical assistance to help Designated MSFW AJCC offices reduce and/or eliminate obstacles to achieve compliance with State and federal mandates. The delivery methods of these trainings include, but are not limited to, virtual training, workshops, seminars, on–the–job training, and web based training sponsored by the DOL Employment and Training Administration (ETA) as listed below:

- Migrant and Seasonal Farmworkers 101 Training Module
- Agricultural Outreach Workers Training Module
- State Monitor Advocate Roles and Responsibilities Training Modules:
    - Employment Service Complaint System
    - Create Effective Outreach Strategies for Farmworkers, Employers and Stakeholders
    - Youth in Agriculture: Serving Young Farmworkers
    - Provide Exemplary Customer Service to Farmworkers - Perform Better on the Job Series
- EDD Farmworker Services Unit, Migrant and Seasonal Farmworker Outreach Program Overview Training Modules:
    - Characteristics of Farmworkers in California
    - MSFW Outreach Program Roles and Responsibilities
    - Documenting and Reporting
    - Migrant Indicators of Compliance
    - MAO Annual Reviews
- EDD Foreign Labor Certification Unit- H-2A Housing Inspection Training for Agricultural Business Representatives
- Cal/OSHA Emergency Temporary Standards: COVID-19 Prevention in Employer-Provided Housing.

Designated MSFW AJCC managers continue to provide on-going training and development for staff regarding employment services through its core curriculum serving the public and

marketing EDD services. There is also training and community vendor services available to MSFWs and employers to better support outreach worker responsibilities in the field. The FLFSG assists in providing technical support and guidance to support managers and outreach staff on State and federal regulations pertaining to MSFW outreach.

Other outreach efforts include partnering with La Cooperativa Campesina de California (La Cooperativa), a statewide association of service providers operating WIOA Title I Section 167 and Community Services Block Grant MSFW service programs. La Cooperativa's Board of Directors consists of NFJP grantees which include the Center for Employment Training, California Human Development Corporation, Central Valley Opportunity Center, County of Kern Employers' Training Resource, and Proteus, Inc. These NFJP grantees currently operate 66 service centers including mobile service units and other service access sites throughout 31 counties in California, offering comprehensive services to rural, agricultural regions. The services provided include education and ES, supportive services, emergency and disaster services, and advocacy and awareness. In 2020, West Hills Community College District was announced by DOL as a new NFJP grantee.

Since the services offered by NFJP grantees focus on increasing self–sufficiency and protecting farm workers in local communities in which they live, and with partners whom are trusted within the community, they are able to achieve much higher rates of participation within this traditionally hard–to–reach population.

The EDD will continue to pursue and promote more collaborative co–enrollment policies between WIOA Title I Section 167 providers and other WIOA funded programs that will assist the WIOA Title I Section 167 network provide their mutual farmworker customers with an enhanced and accessible range of services. This effort will be augmented by the mutual use of the State's CalJOBS℠ system.

WIOA 25 Percent Additional Assistance Grants

La Cooperativa is an ongoing recipient of WIOA 25 percent assistance funding. The recipient received $6,643,200 to serve MSFWs in 30 counties across California from April 1, 2019 to March 31, 2021. This funding is intended to assist participants in the areas of career services, training services, and follow up services who are adversely affected by dislocation due to seasonal farm work and whom typically have various significant barriers to employment preventing them from obtaining sustainable work. Barriers that are addressed include basic skills deficiency, low education, limited English, and limited career exposure and poverty.

Wagner-Peyser 10 Percent Discretionary Grants

To expand MSFW outreach efforts throughout the state of California, EDD annually awards the Campesino de California Outreach Grant - Radio Media using Wagner-Peyser 10 discretionary funds for $100,000 to provide information to MSFWs and their families utilizing radio and media strategies. From November 1, 2019 to November 30, 2020, the Mixteco/Indigena Community Organizing Project (MICOP) received a Wagner-Peyser 10 discretionary grant to strengthen communication with the indigenous immigrant community in Ventura County, estimated at 24,000 people. Most are strawberry farmworkers, and many speak their indigenous language primarily. MICOP's majority-indigenous staff builds community leadership and self-sufficiency through education and training programs, language interpretation, health outreach, humanitarian support, and cultural promotion reaching approximately 6,000 individuals each year.

The new PY 2021-22 recipient of the Wagner-Peyser 10 discretionary grant was awarded to La Cooperativa for a total of $250,000 to operate both the Campesino de California Outreach Grant Radio Media and the Complaint System Awareness and Referral Program. The partnership with La Cooperativa, NFJPs, and MICOP helps to enhance our footprint in the agricultural communities where the personal touch and one–on–one engagement with MSFWs is limited.

Thus, it requires educating partners within the Workforce Development System on the needs and best strategies to increase MSFW participation at the Designated MSFW AJCC offices.

5. SERVICES PROVIDED TO FARMWORKERS AND AGRICULTURAL EMPLOYERS THROUGH THE ONE-STOP DELIVERY SYSTEM

The EDD has been able to successfully serve the agricultural community through an outreach program designed to serve both MSFWs and agricultural employers. The primary responsibility of the outreach worker is to locate and contact MSFWs who are not being reached by the normal intake activities conducted by the Designated MSFW AJCC offices. The outreach workers search for MSFWs throughout the State, especially in rural areas where they live, work, and gather to present the services in a language readily understood by them. In addition, AJCC partners commit to offer services to adults with barriers to employment including individuals who are English Language Learners and face cultural barriers, including eligible MSFWs. The responsibilities of an outreach worker along with applicable career services guaranteed under WIOA Title I partners collocated at the AJCC include:

- Educating MSFWs of their rights with respect to terms and conditions of employment.
- Informing MSFWs about the Employment Services Complaint System and providing assistance with filing a complaint.
- Developing and maintaining relationships with MSFWs, public and private community agencies, MSFW groups, and employers.
- Coordinating outreach efforts with MSFW community service providers, including WIOA Title I Section 167 providers and State agencies such as the multilingual labor rights mobile caravans to directly inform farmworkers about workplace protections.
- Assisting MSFWs with job search and placement, initiating job development contacts, and referrals to supportive services.
- Assisting with the completion of the CalJOBS℠ registration, resume, job applications, and other documents as needed.
- Conducting follow–up interviews with reportable individuals to ensure service or training was received, as well as post-employment follow-up services and support.
- Assisting MSFWs with applying for financial aid for training and education programs not provided under WIOA.
- Assisting MSFWs with making appointments and arranging transportation;
- Providing assistance with obtaining UI benefits, information on the California Training Benefits program, and referrals to specific employment opportunities if MSFWs are unemployed.
- Providing information regarding employment opportunities that may be available including any available H–2A agricultural job orders.
- Staff from WIOA Title I Section 167 providers collaborate with the EDD to provide MSFWs with a comprehensive list of services designed to place them into full–time, non–seasonal employment or provide placement assistance in agricultural occupations offering higher wages.
- Engaging in public awareness campaigns to educate job seekers and small businesses about Covered California™ as a resource to help make informed decisions about health care coverage options.

- The Workforce Development Board of Ventura County hosts English Language Learner Roundtable which includes partners in the community who serve farmworkers and refer them to the AJCC and NFJP grantee, Center for Employment Training, for employment and training services.
- Prior to Covid-19, in-person Farmworker Fairs were hosted at the AJCCs with WIOA Title I partners in conjunction with EDD. The Farmworker Fair connects farmworkers to resources and services offered by a variety of different state-government and local-community agencies.
- WIOA Title I partners help promote the English Language Learner grant from EDD that focuses on farmworkers and indigenous farmworkers.
- The Ventura College has an Agricultural Field Supervisor training program for farmworkers. Both the AJCC and Center for Employment Training refer participants to this program.

Agricultural employers and MSFWs receive additional services from the Agricultural Business Representatives (ABR). The ABRs complete housing inspections for agricultural employers that use the H-2A Program to ensure employers are providing adequate housing to MSFWs. The ABRs also collect agricultural data and prepare crop activity reports of their respective agricultural areas, as well as conduct field checks of H-2A employers to ensure employers follow the terms and conditions of their work contract. They also assist with conducting prevailing wage and prevailing practice surveys and play an important role in the health and safety and protection of the H-2A workers.

Services to Agricultural Employers

The EDD recognizes the importance of the agricultural industry in California and has devoted resources to meet the labor needs of agricultural employers and MSFWs. Funding for agricultural services comes from Wagner–Peyser and Foreign Labor Certification (FLC) funds granted to the States annually. The FLC funds are provided by DOL to California to process foreign labor application requests, conduct housing inspections, agricultural prevailing wage and prevailing practice surveys, and collect agricultural crop and labor information.

California also provides labor exchange services for agricultural employers. These services target the specific needs of the agricultural workforce by using one or more of the following services provided by CalJOBS℠:

- Generate CalJOBS℠ letters that enable staff to create and send formatted letters to job seekers who are registered in CalJOBS℠ regarding job opportunities and targeted recruitment letters.
- Employer self–service options to update their company profiles, post and update recruitments, conduct résumé searches, and contact qualified job seekers.
- Perform recruitment activities to find and refer qualified MSFWs in order to fill the labor needs of agricultural employers at least 30-60 days before the start of the harvest season.
- Conduct mass job referrals electronically through CalJOBS℠.
- Assist with résumé searches and ES office staff mediated services that encourage agricultural employers to publish their job openings using CalJOBS℠ to fill their job openings.
- Provide labor market information such as data on supply and demand, salaries, training requirements, new and emergent occupations, and industry growth.

- Provide Rapid Response services due to plant closure or mass layoffs. These services are offered to workers at the employer's job site and include information on assistance that can be provided at the AJCCs.

Information on the Employment Services Complaint System is an integral part of the outreach workers' educational toolkit and is constantly shared with the MSFWs and the advocacy organizations that the outreach workers interact with regularly. The Designated MSFW AJCC staff receive training on the Employment Services Complaint System. As of August 2021, the MAO revised the Employment Services Complaint System Manual and continues to provide technical assistance to the system´s users during annual on–site monitoring reviews. An internal team site was also created to allow staff to view training modules, pertinent forms and instructions, and webinars. The WorkforceGPS training modules are among the various trainings available on this site.

In accordance with TEGL 8-17, the MAO has established a Memorandum of Understanding (MOU) with NFJP grantees to establish an ongoing liaison and meet on a quarterly basis to receive input on improving conditions of the coordination of services to MSFWs. Additionally, the MOU includes efforts to refer any complaints or apparent violations to the nearest AJCC EDD complaint specialist that serves agricultural employers and assist in referrals of alleged violations to enforcement agencies. The goal of the MOU is to create a partnership in order to facilitate outreach worker contacts, job referrals, and provision of services between the AJCCs and NFJP grantees to help ensure MSFWs have meaningful access to services in a way that meets their unique needs.

The ARS is a nationwide recruitment and referral system that brings together job seekers and employers who are seeking U.S. workers to perform farmworker on a temporary, less than a year-round basis. The ARS can be used to systematically move workers within a state and from other states when there is an anticipated shortage of agricultural workers. The process is less time consuming and more cost effective for employers that use the H–2A Program.

The EDD staff in the Designated MSFW AJCC offices will market and recruit eligible job seekers in the local labor market area during the course of their daily general activities at the AJCCs, as well as during outreach activities to MSFWs. Staff will receive training and continue to provide the following services:

- Display the job announcement in English and Spanish in the lobby area, job board, binder, or other visible location where it is accessible to job seekers.
- Share the job announcement with local partners and CBOs.
- Share the job order with MSFW outreach staff to promote the job announcement where MSFWs work, live, and congregate.
- Conduct an Advanced Resume Search in CalJOBS℠ to identify potential job seekers and send a notification through CalJOBS℠ to the list of potential job seekers.

6. OTHER REQUIREMENTS

A. COLLABORATION

The EDD has substantial financial agreements with MSFW service providers including various contracts with La Cooperativa and the Kern, Inyo and Mono counties (KIM) Workforce Development Board. The full award granted to sub grantee KIM totals $6,603,200 for Agricultural Industry Dislocation Project awarded from April 2019 to May 2021. In addition the EDD has implemented ongoing efforts to strengthen its collaborative efforts with advocacy agencies including the Consulate General of Mexico, Sacramento to leverage referrals and conduct meaningful outreach in the fields.

The EDD will continue building on these relationships and agreements and develop new relationships over the next two years through the following:

- Continue working with our NFJP partners to strengthen and improve how we serve our immigrant and limited English proficient populations including increasing co-enrollment between both WIOA Title I and Wagner-Peyser by using the CalJOBS℠ case management system to track, manage, and report on MSFWs.
- Provide additional WIOA discretionary resources to develop California's capacity to serve MSFWs and other limited English proficient populations. For example, during state PY 2019-20, $1.2 million of WIOA discretionary funds for Regional Workforce Accelerator projects was awarded to develop and test innovations that accelerate employment for these populations.
- Participate in convening stakeholders that have specialized expertise in serving immigrants and/or persons with limited English language proficiency to identify and develop partnerships with immigrant rights organizations.

B. REVIEW AND PUBLIC COMMENT

The EDD provided the final proposed AOP plan on November 22, 2021 to NFJP grantees, other appropriate MSFW groups, public agencies, agricultural employer organizations and other interested employer organizations have been given an opportunity to comment on the AOP.

Below is a list of the following entities that received the final proposed AOP: Center for Employment Training, Employers' Training Resource, California Human Development, Center Valley Opportunity Center, Proteus, Inc. La Cooperativa Campensina de California, Consulates of Mexico-(Calexico, Fresno, Los Angeles, Oxnard, Sacramento, San Bernardino, San Diego, San Jose, Santa Ana and San Francisco), State Monitor Advocate Officer, Centro Binacional para el Desarrollo Indigena Oaxaqueño, Center for Community Advocacy, Mixteco Indigena Community Organization Project, United Farm Worker Foundation, Health4Kern, Lideres Campesinas, Vision y Compromiso, Dolores Huerta Foundation, Central Valley Immigrant Integration Collaborative, Alianza Coachella Valley, TODEC, West Modesto Collaborative, California Governor's Office of Emergency Services, and the State's Agricultural Commissioners.

The AOP 30-day public comment period was from November 22, 2021 to December 27, 2021. There was only one comment received on December 13, 2021 made by the NFJP grantee, County of Kern Employers' Training

Below is the comment:

"Regarding the draft Agricultural Outreach Plan, on Page 29, 5. Coordinating outreach efforts with NFJP grantees as well as with public and private community service agencies and MSFW groups, paragraph 1, line 6, our agency is misspelled. It is County of Kern Employers' Training Resource (the apostrophe is in the wrong position in the draft).

The NFJP grantee, County of Kern Employers' Training was notified of the correction and the AOP was updated accordingly.

In addition, the State Plan, which includes the AOP, was posted on the California Workforce Development Board website on January 14, 2022 to February 14, 2022 for a 30-day public comment period. No comments were received on the AOP.

C. DATA ASSESSMENT

The State has historically met the Wagner–Peyser performance goals to provide qualitatively equivalent and quantitatively proportionate services to MSFW as compared to services provided to non–MSFWs.

A review of the past four years of Wagner–Peyser data reports indicates that EDD has met all equity service level indicators for PY 2019-20 and PY 2020-21 ensuring MSFWs continue to receive qualitatively equivalent and quantitatively proportionate services at significantly greater rates than non-MSFWs.

The EDD is also required to meet the minimum service level indicators to encourage the provision of more services to MSFWs and to prevent a reduction of these services by Designated MSFW States. The minimum service level indicators were established to ensure that MSFWs receive equitable employment services. During PY 2019-20, the EDD met three out of four minimum services level indicators. The Review of Significant/Special Circumstance Offices service level indicator was not met due to the COVID-19 pandemic and the governor issuing a Statewide stay-at-home order.

The EDD has taken an active role to ensure compliance in tracking services to MSFWs and all job seekers. The EDD has trained staff and AJCC partners on the use of CalJOBS℠ and has created comprehensive tools on the CalJOBS℠ service codes.

D. ASSESSMENT OF PROGRESS

The DOL ETA requires that states ensure equity of services for MSFWs and non-MSFWs. The MAO ensures MSFWs continue to receive qualitatively equivalent and quantitatively proportionate services similar to non-MSFWs by monitoring indicators of compliance on all service outcomes tracked for regular job seekers, including MSFWs.

Effective March 19, 2020, all MSFW program services and outreach activities were modified due to the COVID-19 pandemic. MSFW services were provided by telephone, email or by appointment. The outreach workers in the Designated MSFW AJCC offices were redirected to conduct indoor outreach activities and contact partner agencies and CBOs to find out what modified services were being provided and how they could practice social distancing while assisting clients. As a result of the unprecedented circumstances there was a decrease in the intake of complaints and apparent violations handled by the local offices. Several local offices also reported delays in the processing of complaints. Despite the challenges presented this past year, all five of the Equity Ratio Indicators were met. The EDD will continue to direct its focus for the upcoming year on training staff on providing equity of services to meet the federal Migrant Indicators of Compliance report including referrals to employment, referrals to supportive services, staff assisted career services, job development contacts and career guidance.

A summary of the recent data analysis in comparing PY 2019-20 to PY 2020-21 includes the following:

- **Referred to Employment:** In PY 2020-21 the number of referrals to employment decreased for MSFWs by 5,059 compared to the 9,849 captured in PY 2019-20.
- **Referred to Supportive Services:** In PY 2020-21 the number of MSFWs referred to supportive services decreased by 3,175 compared to PY 2019-20.
- **Received Staff Assisted Services:** In PY 2020-21 the number of staff assisted services received by MSFWs was 8,464, a decrease of 50.2 percent compared to PY 2019-20; however, the EDD still met the minimum service level to MSFWs.
- **Job Development Contacts:** In PY 2020-21 the number of job development contacts to MSFWs by 43% compared to PY 2019-20. However, the EDD still met the minimum service level to MSFWs.
- **Career Guidance:** In PY 2020-21 the number of MSFWs receiving career guidance decreased by 4,777 compared to PY 2019-20; however, the EDD still met the minimum service level to MSFWs.

E. STATE MONITOR ADVOCATE

The State MAO reviewed the 2021 submission of the AOP and provided valuable, informal feedback in compiling the final draft. The EDD is awaiting comments and recommendations from La Cooperativa, NFJP grantees, and other CBOs serving the MSFW community. The comments and suggestions received will be reviewed, addressed, and considered before incorporating changes in the final AOP.

WAGNER-PEYSER ASSURANCES

The State Plan must include	Include
1. The Wagner-Peyser Act Employment Service is co-located with one-stop centers or a plan and timeline has been developed to comply with this requirement within a reasonable amount of time (sec 121(e)(3));	Yes
2. If the State has significant MSFW one-stop centers, the State agency is complying with the requirements under 20 CFR 653.111, State Workforce Agency staffing requirements;	Yes
3. If a State Workforce Development Board, department, or agency administers State laws for vocational rehabilitation of persons with disabilities, that board, department, or agency cooperates with the agency that administers Wagner-Peyser Act services, Adult and Dislocated Worker programs and Youth Programs under Title I; and	Yes
4. SWA officials: 1) Initiate the discontinuation of services; 2) Make the determination that services need to be discontinued; 3) Make the determination to reinstate services after the services have been discontinued; 4) Approve corrective action plans; 5) Approve the removal of an employer's clearance orders from interstate or intrastate clearance if the employer was granted conditional access to ARS and did not come into compliance within 5 calendar days; 6) Enter into agreements with State and Federal enforcement agencies for enforcement-agency staff to conduct field checks on the SWAs' behalf (if the SWA so chooses); and 7) Decide whether to consent to the withdrawal of complaints if a party who requested a hearing wishes to withdraw its request for hearing in writing before the hearing.	Yes

WAGNER PEYSER PROGRAM PERFORMANCE INDICATORS

Performance Indicators	PY 2022 Expected Level	PY 2022 Negotiated Level	PY 2023 Expected Level	PY 2023 Negotiated Level
Employment (Second Quarter After Exit)	55.0%	57.6%	55.0%	57.6%
Employment (Fourth Quarter After Exit)	55.0%	55.8%	55.0%	55.8%
Median Earnings (Second Quarter After Exit)	$7000	$7584	$7000	$7584
Credential Attainment Rate	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Measurable Skill Gains	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Effectiveness in Serving Employers	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]

1

"Effectiveness in Serving Employers" is still being developed and this data will not be entered in the 2022 State Plan modifications.

PROGRAM-SPECIFIC REQUIREMENTS FOR ADULT EDUCATION AND FAMILY LITERACY ACT PROGRAMS

A. ALIGNING OF CONTENT STANDARDS

The California Department of Education (CDE), through the State Board of Education (SBE), adopted the Common Core State Standards (CCSS) in 2010. In March 2013, the CDE adopted the College and Career Readiness Standards (CCRS). In March 2014, the State Superintendent of Public Instruction announced the Standards for Career Ready Practice. These standards describe the fundamental knowledge and skills that students need to prepare for transition to postsecondary education, career training, or the workforce. The Standards for Career Ready Practice are taught and reinforced in all career exploration and preparation programs or integrated into core curriculum, with increasingly higher levels of complexity and expectation as a student advances through a program of study.

The CDE Adult Education Office has aligned its content standards to the state-adopted challenging academics of the CCSS and CCRS. The California adult education high school diploma meets the same standards as required for the kindergarten through grade 12 (K–12) high school diploma. The CDE has developed and implemented curriculum and assessment standards within adult basic education (ABE) and English as a second language (ESL) to meet the Educational Functioning Levels established by the National Reporting System (NRS), and to achieve the K–8 academic literacy objectives established by the state's standards and frameworks.

The CDE provides numerous professional development opportunities to the Title II local providers on the CCSS and CCRS. Thus, local adult education programs are aligned to the CCSS and CCRS, providing standards-based contextualized curriculum, evidence- based instruction, and assessment focusing on the skills that enable learners to participate more fully within American society as citizens, workers, and family members. In addition, the CDE, through the

professional development contractor, has been offering trainings on the English Language Proficiency Standards (ELPS) for Adult Education since January 2017. The ELPS, published by the American Institute for Research in October 2016 for the U.S. Department of Education, correspond to the CCRS for English language arts and literacy, as well as mathematical and science practices.

B. LOCAL ACTIVITIES

ADULT EDUCATION AND LITERACY ACTIVITIES (SECTION 203 OF WIOA)

Funding Workforce Innovation and Opportunity Act, Title II: Adult Education and Family Literacy Act Providers

Applicant Screening

For the grant years July 1, 2020–June 30, 2023, an open competitive application process was executed adhering to the thirteen considerations specified in the WIOA, Title II: AEFLA, effective July 2014. Grant applicants were required to establish that they had demonstrated effectiveness. Applicants used performance data to demonstrate their record of improving the skills for eligible individuals, particularly those with low levels of literacy. This was demonstrated in the content domains of reading, writing, mathematics, English language acquisition, and other subject areas relevant to the services contained in the state's application for funds. Grant applicants were required to provide information regarding outcomes for participants related to employment, attainment of secondary school diploma or its recognized equivalent, and transition to postsecondary education and training.

Eligible Provider

An eligible provider is defined as an organization that has demonstrated effectiveness in providing adult education and literacy activities. These organizations may include, but are not limited to:

1.

    a. Local educational agencies
    b. Community-based or faith-based organizations
    c. Volunteer literacy organizations
    d. Institutions of higher education
    e. Public or private nonprofit agencies
    f. Libraries
    g. Public housing authorities
    h. Nonprofit institutions not described in (a) through (g) of this section that have the ability to provide adult education and literacy activities to eligible individuals
    i. Consortia or coalitions of agencies, organizations, institutions, libraries, or authorities described in (a) through (h) of this section. (NOTE: All agencies applying as a consortium or a coalition must reside within the boundaries of one of the 71 regional community college district service areas established under the California Adult Education Program [CAEP])
    j. Partnerships between employers and entities described (a) through (i) of this section (WIOA, Title II, Section 203(5); 34 CFR 463.23)

Demonstrated Effectiveness

An eligible provider must establish that it has demonstrated effectiveness through performance data on its record of improving the skills of eligible individuals, particularly those who have low levels of literacy. This must be demonstrated in the following content domains:

- Reading
- Writing
- Mathematics
- English language acquisition
- Other subject areas relevant to the services contained in the state's application for funds

An eligible provider must also provide information regarding its outcomes for participants related to:

- Employment
- Attainment of secondary school diploma or its recognized equivalent
- Transition to postsecondary education and training (34 CFR §463.24)

Application Submission

Successful applicants in the screening process applied online via the Request for Application (RFA) process. Agencies provided narrative detail to the prompts associated with the thirteen considerations outlined in the WIOA, Title II: AEFLA:

1. Needs Assessment: The degree to which the provider is responsive to (a) regional needs as identified in the local plan under Section 108; and (b) serving individuals in the community who are identified in such plan as most in need of adult education and literacy activities, including individuals who have low levels of literacy skills, or who are English language learners.
2. Serving Individuals with Disabilities: The degree to which the provider is able to serve eligible individuals with disabilities, including eligible individuals with learning disabilities.
3. Past Effectiveness: The degree to which the provider demonstrates past effectiveness in improving the literacy of eligible individuals to meet state–adjusted levels of performance for the primary indicators of performance described in Section 116, especially with respect to eligible individuals who have low levels of literacy.
4. Alignment with America's Job Centers of California Partners: The degree to which the eligible provider demonstrates alignment between proposed activities and services, and the strategy and goals of the local plan under Section 108, as well as the activities and services of the one-stop partners.
5. Flexible Scheduling: The degree to which the eligible provider's program is of sufficient intensity and quality, and based on the most rigorous research available so that participants achieve substantial learning gains, and uses instructional practices that include the essential components of reading instruction.
6. Evidence-Based Instructional Practices and Reading Instruction: The degree to which the eligible provider's activities including reading, writing, speaking, mathematics, and

English language acquisition instruction, are based on the best practices derived from the most rigorous research available, including scientifically valid research and effective educational practice.

7. Effective Use of Technology and Distance Learning: The degree to which the eligible provider's activities effectively use technology, services, and delivery systems; including distance education in a manner sufficient to increase the amount and quality of learning and how such technology, services, and systems lead to improved performance.
8. Facilitate Learning in Context: The degree to which the eligible provider's activities offer learning in context, including through integrated education and training, so that an individual acquires the skills needed to transition to and complete postsecondary education and training programs; obtain and advance in employment leading to economic self–sufficiency; and exercise the rights and responsibilities of citizenship.
9. Qualified Instructors and Staff: The degree to which the eligible provider's activities are delivered by well-trained instructors, counselors, and administrators who meet all minimum qualifications established by the state, where applicable, and who have access to high quality professional development, including through electronic means.
10. Partnerships and Support Services for Development of Career Pathways: The degree to which the eligible provider's activities coordinate with other available education, training, and social service resources in the community. Such as by establishing strong links with elementary schools and secondary schools; postsecondary educational institutions; institutions of higher education; local workforce investment boards; one-stop centers; job training programs; and social service agencies, business, industry, labor organizations, community-based organizations, nonprofit organizations, and intermediaries, for the development of career pathways.
11. High Quality Information and Data Collection System: The degree to which the eligible provider maintains a high-quality information management system that has the capacity to report measurable participant outcomes (consistent with Section 116) and to monitor program performance.
12. Integrated English Literacy and Civics Education: The degree to which the eligible provider has a demonstrated need for additional English language acquisition programs and civics education programs.

The CDE issued a Grant Award Notification (GAN) to successful applicants. Unsuccessful applicants will be given a period to appeal. Successful grantees are required to submit annual progress reports for program years two and three, 2021–22, and 2022–23. The progress report will include the requirement that agencies provide a description of the steps the agency proposes to take to ensure equitable access to, and participation in, its federally-assisted program per Section 427 of the General Education Provisions Act.

For the grant years 2020–23, the CDE distributed the AEFLA grant funding in an open, competitive application process through an official RFA.

The RFA details the grant requirements and the thirteen considerations specified in the WIOA, Title II: AEFLA. In the application process, eligible providers must address the thirteen considerations and show evidence of demonstrated effectiveness in program areas for which they are applying. The competitive grant application sets forth clear screening criteria for review. The CDE issued a GAN to successful applicants. Unsuccessful applicants were given a period to appeal. A new RFA will be issued on a three-year cycle.

The CDE evaluates and monitors program effectiveness of local providers on an ongoing basis, including annual Federal Program Monitoring reviews (on-site and online) and annual targeted

technical assistance to providers who fall in the bottom quartile of the statewide aggregated assessment results. Furthermore, local providers must provide annual deliverables including data integrity reports, payment point summaries, fiscal reports, Continuous Improvement Plan, and a local assessment plan. As such, local providers must continue to demonstrate program effectiveness in order to reapply for continued funding.

The CDE incentivizes local providers' demonstrated effectiveness by using a "pay-for-performance" system. Local agencies earn payment points, which translate into grant award funding. The CDE payment point system aligns with the federal NRS measures.

Successful applicants who were grantees in the 2017–20 grant cycle were funded based on payment points earned in the final year of the cycle. Successful applicants new to the grant in 2020–23 were awarded based on a funding formula that includes negotiated enrollment between the CDE, the applicant, and the statewide payment point value.

The CDE developed internal processes to ensure that there is direct and equitable access to the grant funds. All currently funded providers, public adult schools listed in the current *California Public School Directory*, and all other identified eligible agencies receive a grant or contract application notification by e-mail. This includes all known community-based organizations, community colleges, libraries, literacy councils, public housing authorities, and any other provider that is eligible pursuant to Section 203(5). In addition to the general distribution of the sections 225, 231, and/or 243 application notifications, CDE will post a notice of the availability of funding on the website maintained by the Outreach and Technical Assistance Network (OTAN). In addition, the CDE provides application information at conferences, workshops, and other activities attended by potential providers.

Due to the COVID-19 pandemic, many adult schools experienced a significant drop in student enrollment and a limited ability to complete pre and/or post testing beginning in March 2020. Due to this issue, the CDE Adult Education Office made the decision to fund all sub-grantees for the 2021–22 year at the level they were funded in 2020–21, with the exception of any agency that experienced an increase over the prior year. These agencies were funded related to the increases in performance.

Adult Education and Literacy Activities (Section 203 of the Workforce Innovation and Opportunity Act)

1.
    a. *Adult education*
    b. *Literacy*
    c. *Workplace adult education and literacy activities*
    d. *Family literacy activities*
    e. *English language acquisition activities*
    f. *Integrated English literacy and civics education*
    g. *Workforce preparation activities, or*
    h. *Integrated education and training that—*
2. *Provides adult education and literacy activities, concurrently and contextually with both, workforce preparation activities, and workforce training for a specific occupation or occupational cluster, and*
3. *Is for the purpose of educational and career advancement*

The CDE uses 82.5 percent of the state allocation for local assistance grants. Local assistance grants and contracts are based on the following priorities; populations with the greatest need and hardest to serve, which includes adult learners who are performing below the eighth grade level; populations performing at or above the eighth grade level, but who do not have a high school diploma or its equivalent; individuals with disabilities; and incarcerated adults or eligible adults residing in state hospitals or developmental centers who perform below the high school graduation level. For leadership activities the state allocates 12.5 percent to provide support for: data and accountability; technology and distance learning; and professional development.

Adult education instruction provides academic standards-based curriculum integrated with career technical education (CTE). This instruction is established for adults to gain basic life skills, complete the courses necessary to attain a high school diploma or its equivalency, improve employment and career opportunities in order to transition into career or postsecondary training, be able to function in English at a high cognitive level, or gain the knowledge to obtain citizenship.

Adult education courses are offered in day, evening, and weekend formats; and they may be delivered in a classroom setting, through distance learning programs, or a combination of the two. To meet the various needs of the adult students, agencies use an open- entry/open-exit or a managed enrollment process. The open-entry/open-exit model allows multiple and timely opportunities for students to enter adult education programs. Students may enter an instructional program at any time during the school year, attend class for an unlimited number of hours while acquiring appropriate skills and knowledge, exit the program upon goal attainment; or exit the program due to external factors, and re-enter the program when able to do so. Managed enrollment permits learners to enter a class during specific predefined enrollment periods. There may be multiple entry points during a class term, however they are strategically timed so that the curriculum delivery is not interrupted. This also allows for classes that are specifically designed to deliver a set curriculum or content area and requires students to attend a specific class for the duration of the term.

Due to the COVID-19 pandemic, in March 2020, the majority of the adult schools in California embraced distance learning. They provided instruction online and in those areas with limited connectivity, learning packets were developed and deployed. Online and hybrid instruction will continue as a staple in adult education.

The following is a brief description of the adult education literacy programs: Adult Basic Education

The goal of the ABE program is to improve students' basic skills in language arts and mathematics. A model ABE program provides comprehensive services to meet the diverse educational needs of students and prepares them to transition to secondary education and job preparation classes. ABE programs include reading, writing, and computational skills necessary for functioning at levels comparable to students in the first through eighth grade. Courses may be remedial for students or they may provide educational opportunities for students who speak, but do not read English. These programs are also designed to help students develop job readiness skills leading to employment, job advancement, or entering adult secondary education classes.

English Language Acquisition

The goal of the English Language Acquisition (ELA) program is to prepare adult learners to be able to fluently speak, read, and write English. Students are placed in appropriate skill-level classes through general language proficiency assessments.

There are six levels of instruction; beginning literacy, beginning low, beginning high, intermediate low, intermediate high, and advanced. The assessments for progressing from one

level to another measure both general language proficiency and specific standards mastered. The key objectives are as follows:

-
    - Provide students with the ability to use English that is accurate and appropriate in a variety of academic and social settings
    - Integrate language acquisition with relevant life experiences, stressing the importance of critical thinking, problem solving, and self-sufficiency
    - Develop students' receptive English language skills of listening and reading comprehension
    - Develop students' productive English language skills of speaking and writing
    - Provide students with English language and citizenship instruction necessary to successfully complete the citizenship application and interview process

Adult Secondary Education

The primary goal of the Adult Secondary Education (ASE) program is to provide a curriculum that enables adults to attain a high school diploma (HSD) or a high school equivalency (HSE) certificate. Subjects include mathematics, English language arts, history, science, government, and other courses required to complete the credits or gain the knowledge necessary to attain an HSD or pass an HSE test. The ASE program is conducted within flexible time frames and provides knowledge and skills necessary for adults to gain self-sufficiency, employment, and to be able to transition into advanced postsecondary and a career.

IELCE is an important offering to California adult immigrant learners. WIOA defines Integrated English literacy and Civics as: *Education services provided to English language learners (ELLs) who are adults, including professionals with degrees and credentials in their native countries that enable such adults to achieve competency in the English language and acquire the basic and more advanced skills needed to function effectively as parents, workers, and citizens in the United States. Such services shall include instruction in literacy and English language acquisition and instruction on the rights and responsibilities of citizenship and civic participation, and may include workforce training.*

California provides Integrated English Language and Civics Education (IELCE) in three focus areas; Citizenship Preparation, Civic Participation, and Integrated Education and Training (IET).

IET is a service approach that provides adult education and literacy activities concurrently and contextually; workforce preparation activities; and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement.

The IET service delivery may incorporate one or both of the following teaching models:

- Co-Teaching: The co-teaching model involves skills instruction in a workforce training program along with adult education and literacy, delivered in an integrated fashion. In this model, an adult education teacher and a workforce training teacher are teaching in the same classroom; and students are co-enrolled in both the adult education and the workforce training courses.
- Alternating Teaching: In the alternating teaching model, students are co-enrolled in two different but coordinated courses. In this model, an adult education teacher and a workforce training teacher are teaching in two different classrooms; and students attend the two courses at different times.

Special Rule: Each eligible agency awarding a grant or contract under this section shall not use any funds made available under this title for adult education and literacy activities for the purpose of supporting or providing programs, services, or activities for individuals who are under the age of 16 and are enrolled or required to be enrolled in secondary school under state law; except that such agency may use such funds for such purpose if such programs, services, or activities are related to family literacy activities. In providing family literacy activities under this title, an eligible provider shall attempt to coordinate with programs and services that are not assisted under this title prior to using funds for adult education and literacy activities under this title for activities other than activities for eligible individuals.

Special Rule: California's funded agencies under the WIOA that are awarded a grant or contract under this section shall not use any funds made available under this subtitle for adult education and literacy activities for the purpose of supporting or providing programs, services, or other activities for individuals who are not individuals described in subparagraphs (a) and (b) of Section 203(4); except that such agency may use such funds for such purpose if such programs, services, or activities are related to family literacy services. In providing family literacy services under this subtitle, an eligible provider shall attempt to coordinate with programs and services that are not assisted under this subtitle prior to using funds for adult education and literacy activities other than adult education activities (Section 231[d]).

C. CORRECTIONS EDUCATION AND OTHER EDUCATION OF INSTITUTIONALIZED INDIVIDUALS

Correctional Institution Programs

The WIOA expands the use of funds for adult education programs in correctional institutions. This includes the teaching of basic literacy skills including reading, writing, speaking, and math; special education programs; secondary education credit and high school diploma or equivalency programs; and career-integrated education and training. Correctional institutions must describe and define the academic program areas in their grant application, and describe how the agency will deliver these programs.

Section 225 funds are available to local education agencies (LEAs) that have contracts with local jails or local law enforcement departments responsible for managing the jail programs. Section 225 funds are also available to state correctional education programs. Applications submitted by local school districts, LEAs, and other state and local correctional education programs must outline how the agency ensures participants' access to the program if they are within five years of release.

As part of California Department of Corrections and Rehabilitation's (CDCR) Division of Rehabilitative Programs and the Office of Correctional Education (OCE) offers various academic and education programs at each of California's adult state prisons. These programs are monitored by the CDE through the compliance monitoring system, and CDCR is required to outline what components are delivered in these activities in the application for the WIOA grant funding.

Correctional education programs within institutions include academic and CTE programs addressing the requirements of the WIOA grant. The CDE partners with correctional education providers to develop integrated education and training models that address the academic and career programming needs designed to support students' completion of an HSD or equivalency degree. The transitional plan for students' access to postsecondary education and career pathways is included in correctional education to ensure students will have the twenty-first century skills necessary to succeed once released.

The CDE works in partnership with correctional education providers by offering continued technical assistance in understanding and implementing the grant requirements. To ensure compliance with the law, the CDE continues to monitor the academic and career technical

programming and reviews the financial records to ensure correctional education providers are allocating the grant funding to correctional education programs as required by law.

The CDE also ensures compliance with federal and state law as a member of the Corrections Rehabilitation Oversight Board (C–ROB). The CDE monitors the academic rehabilitation process and contributes to the annual report on academic programs in conjunction with other agencies in the annual report to the California Legislature.

There are 35 state prisons, four developmental centers, and five state hospitals providing adult education programs to institutionalized adults and inmates. All 58 California counties provide education programs in county jail facilities. Other facilities such as state hospitals, developmental centers, and limited retention facilities provide literacy services to inmates. These institutions often collaborate with adult schools, public libraries, and community-based organizations.

D. INTEGRATED ENGLISH LITERACY AND CIVICS EDUCATION PROGRAM

California provides IELCE in three focus areas; Citizenship Preparation, Civic Participation, and IET. Learning gains are documented using academic pre-tests and post-tests along with performance-based additional assessments. In addition to pre-tests and post-tests, adult learners enrolled in Citizenship Preparation take the written Government and History for Citizenship test and the oral Citizenship Interview Test.

1. Citizenship Preparation has a primary focus to help adults obtain United States citizenship. Students benefit by preparing for the United States Citizenship and Immigration Services citizenship test. In addition, the CDE has added an oral practice test. It was determined that lack of English proficiency was a major obstacle for immigrants to pass the interview portion of the citizenship process. By adding the oral interview practice test, the adult learners are more comfortable and confident and better able to respond to questions.

2. Civic Participation has a primary focus on civic involvement. Agencies conduct community and student assessments and teach the language and literacy objectives that best match their students' identified needs, and will assist them in attaining mastery of a specific civic objective. Civic objectives meet the following criteria:

    a. Integrate English language and literacy instruction into civics education

    b. Focus on content that helps students understand the government and history of the United States; understand their rights and responsibilities as citizens; and participate effectively in the education, employment, and civic opportunities this country has to offer

    c. Integrate active participation of the students in community activities

3. IET within the IELCE program has a primary focus to prepare ELLs for, and place in, unsubsidized employment in in-demand industries and occupations that lead to economic self-sufficiency, and integrate with the local workforce development system and its functions to carry out the activities of the program.

IET is a service approach that provides adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement. "Concurrently and contextually" means that, within the overall scope of the Integrated EL Civics program, adult education, workforce preparation, and workforce training activities must:

-

- Be of sufficient intensity and quality, and based on the most rigorous research available
- Occur simultaneously
- Use occupationally relevant instructional materials

To meet the IET requirements when designing the curriculum of an IELCE program, the program must:

-
    - Have a single set of learning objectives and activities organized to function cooperatively
    - Be aligned with the state's content standards for adult education
    - Be part of a career pathway

Students in an IELCE program must have the opportunity to be enrolled in both an adult education and literacy program and a workforce training program. Co-enrollment in the IELCE program may include one or more of the following options:

-
    - ELLs are co-enrolled in a workforce training program provided through an America's Job Center of California
    - ELLs are co-enrolled in the provider's workforce training program, such as CTE
    - ELLs are co-enrolled in a series of workforce training courses within a career pathway offered by multiple providers designed to lead to employment
    - ELLs are working directly with an employer through apprenticeship, pre-apprenticeship, or on-the-job training

For the grant years of 2020–23, the CDE distributed the AEFLA grant funding for sections 225, 231, and/or 243 in an open, competitive application process through an official RFA. The RFA detailed the grant requirements and the 12 considerations specified in the WIOA, Title II: AEFLA. In the application process, eligible providers addressed the 12 considerations and showed evidence of demonstrated effectiveness in program areas for which they were applying. The competitive grant application set forth clear screening criteria for review. The CDE issued a GAN to successful applicants. Unsuccessful applicants were given a chance for an appeal. A new RFA will be issued on a three-year cycle for 2023–2026.

As a condition of being awarded Section 243 IELCE funds, recipients are required to submit an annual Integrated English Literacy and Civics Education Report that outlines their progress in developing and implementing service approaches that provide adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement.

The CDE requires all eligible providers for sections 225, 231, and/or 243 to use the same application process. This ensures that all applications are evaluated using the same rubric and scoring criteria. Statewide leadership activities are provided through contracted service providers in compliance with state contracting requirements. The CDE has also developed interagency agreements with the CDCR, Department of Developmental Services, and the Division of Juvenile Justice to provide the appropriate and necessary services for institutionalized adults.

Proposed state funding with a focus on health care pathways will afford the opportunity to encourage industry, community college, and adult education partnerships to establish pathways to support dual enrollment programs for adults.

Detailed information and descriptions of the language and literacy objectives used for the IELCE program can be found at https://www.casas.org/training-and-support/casas-peer-communities/california-adult-education-accountability-and-assessment/california-el-civics. Each objective consists of a Civic Objective, Language and Literacy Objective, and an Additional Assessment Plan. Agencies annually select objectives based upon a preliminary needs assessment through a survey of their students. Agencies have the opportunity to develop new objectives as needs evolve.

E. STATE LEADERSHIP

1. DESCRIBE HOW THE STATE WILL USE THE FUNDS TO CARRY OUT THE REQUIRED STATE LEADERSHIP ACTIVITIES UNDER SECTION 223 OF WIOA

The CDE, in partnership with California Workforce Development Board (CWDB) and local providers, has implemented and aligned adult education and literacy activities with other core programs and one-stop partners. This includes the development of career pathways to provide access to employment and training services for individuals participating in adult education and literacy activities. This also includes the CAEP to provide better coordinated services for adult learners leading to career pathways and employment opportunities. The WIOA Implementation Work Group develops performance measures and multi-agency metrics; policy, systems' alignment and regional collaboration; and determines any needed governance changes.

The CDE, along with its leadership contractors, provide technical assistance and training to all of the local AEFLA providers in the following areas:

- Scientific research-based instructional and programmatic practices focused on reading, writing, speaking, mathematics, English language acquisition, distance education, digital literacy, and staff training.
- The integration of the AEFLA agencies as a one-stop partner to provide their students access to employment opportunities, job training skills, and support services.
- The use of technology to increase program efficiency in administration, curriculum delivery, and for student mastery.

The CDE, along with its leadership contractors, has implemented a system that provides a sound monitoring and evaluation of the AEFLA programs. The CDE continues to conduct numerous training and technical assistance activities including providing models and information on proven practices within California programs. The CDE believes in providing high quality professional development to local providers to encourage continuous improvement in teaching practices.

With the opportunity provided by the WIOA, the CDE works with the CWDB to strategically examine the technical assistance and professional services provided to forge continuous improvement. The CDE provides technical assistance and training to local providers to meet the new performance measurements of WIOA. The CDE will continue to provide AEFLA providers research-based best practice trainings, and technical assistance in the use of technology, data collection, and analysis.

The CDE, through contracts with three outside agencies, collaborate to conduct state leadership activities. These contracts, funded through the leadership activities portion of the WIOA grant, provide a variety of services to support the grantees. The contracts are in the areas of:

1. Assessment and accountability

2. Technology and distance learning
3. Professional development

Assessment and Accountability

The main objective of the CDE adult education assessment and accountability system is to track the progress and success of students, as well as the performance of local agencies to determine if they meet the goals and objectives of the WIOA. The CDE provides a nationally-approved standardized assessment system for all levels of the ABE, ASE, and ELA programs. The CDE collects and reports adult education accountability data annually to the state legislature and federal government.

The CDE is currently contracting with the Comprehensive Adult Student Assessment Systems (CASAS). The contractor provides statistically reliable and valid assessment instruments necessary to accurately track student outcomes. This data is disseminated to all stakeholders to set goals and meet objectives of the WIOA.

Working with the CDE, the contractor will provide a statewide web-based database system for all adult education providers. The CDE also works with the contractor to provide training to funded agencies in areas of data-based decision making and networking among recipients so that they can share effective accountability practices.

In order to maintain relevance in the changing world of adult education and workforce development training, the contractor is required to update and keep current pre/post testing instruments, training materials, student entry/exit records, and student testing records. The contractor under the direction of the CDE makes enhancements to the process for collecting, aggregating, analyzing, and reporting both quantitative and qualitative program data. In collaboration with the CDE, the contractor coordinates with other contractors to identify and address needs to improve the data collection process for federally funded programs in California and address the special needs of various populations, such as individuals with disabilities.

In response to the COVID-19 pandemic, the contractor ensured that remote assessments, including protocols and procedures, were available for sub-grantees to continue to measure student outcomes.

Technology and Distance Learning

One of the main objectives of the technology and distance learning contract is the implementation of technology at both the agency administration and the classroom levels. The technology and distance learning contractor, OTAN, incorporates curriculum for distance learning and provides professional development to support the use of instructional technology to deliver curriculum.

Working with the CDE, OTAN offers internet resources, and computer assisted and web-based instruction. The contractor provides a robust system of telephone, online, and onsite technical support to ensure that technology is a priority. In addition, OTAN is responsible for facilitating trainings in the use of best practices and provides technical assistance using a variety of delivery models.

OTAN is nationally recognized and is responsible for managing California's distance learning infrastructure and expanding the ability of adult education providers to communicate with each other and their adult learners through multiple methods; develop a videoconferencing capability; and provide capacity building services to smaller agencies providing literacy services. The contractor provides instructional technology support by improving and expanding on a variety of successful activities currently occurring throughout the state. These include researching and making available current information on new and emerging technologies and

educational resources. An essential part of this contract is conducting training and workshops in all aspects of planning and implementing instructional technologies in education and training. The contractor helps providers implement best practices in computer assisted and/or web-based instruction through demonstrations, and by disseminating information on successful models. The contractor also assists the CDE in the implementation of the Continuous Improvement Plan (CIP), which is a deliverable required of all AEFLA providers.

Activities designed to help expand the expertise of adult education providers to adopt distance and online learning in their instructional strategies is a priority. To facilitate integrated success among education agencies, the contractor provides an electronic collaborative environment. This includes discussion boards and work groups for the exchange of information about effective program models, teaching techniques, and curriculum.

Piloting, implementing, evaluating, and disseminating models for learner-oriented web sites to encourage students to obtain the knowledge and skills necessary for employment and self-sufficiency are priority objectives. The contractor was able to shift quickly in March of 2020 to focus on teacher and administrator training related to the implementation of online instruction.

Professional Development

The CDE, as part of the leadership portion of the WIOA grant, has contracted with the nationally-recognized American Institute of Research to provide adult education focused professional development to the sub grantees. The contract is designed to deliver strategic high-quality professional development programs to improve instruction. This includes an emphasis on instruction and incorporating the essential components of reading instruction. The professional development activities include the dissemination of information about many instructional models and promising practices to deliver adult education and workforce programs. The goal is to support and continuously improve high performing literacy and basic skills in adult education programs. The contractor is expected to design, implement, and operate a large-scale, statewide professional development project for all WIOA funded agencies. Other priorities of this contract include facilitating the implementation of models for IET and career pathways. Additionally, the development and implementation of a system to assist in the transition from adult education to postsecondary education and training, including linkages with postsecondary educational institutions or institutions of higher education, is another priority. The development and piloting of strategies for improving teacher quality and retention are critical to the long-term success of adult education, and best practices in these areas are provided through this contract. The development and implementation of programs and services to meet the needs of adult learners with learning disabilities or English language learners, which may include new and promising assessment tools and strategies based on scientifically valid research, are included in the professional development activities provided to grant recipients. In response to the COVID-19 pandemic, and in collaboration with OTAN, the contractor developed a research brief and webinar on best practices in distance learning and blended learning. All of these activities are essential components of the professional development contract in order to ensure the success of the agencies utilizing WIOA grants. These professional development activities are delivered through multiple formats including workshops, face-to-face trainings during non-COVID-19 restrictions, mentoring, Professional Learning Communities, Communities of Practice; and online activities such as, web-based trainings are specifically designed and focused on improving the quality of instruction.

Through the adult education professional development leadership contractor, a number of IET professional development resources and services are offered. A training module on IET is aligned with the CDE's approved IET models. This training module offers two delivery formats: as a blended regional Community of Practice (CoP), which combines face-to-face meetings and online collaboration, and as facilitated online courses. During the COVID-19 pandemic the CoP was available only in the online format. The module guides teams consisting of an administrator, an academic instructor, and a technical skills instructor through the process of

developing an action plan to implement IET program(s) aligned with the local provider's IET vision. IET is also highlighted in a training module on Accelerating Learning to Facilitate Career Pathways. Additionally, videotaped interviews with IET practitioners are featured on the professional development leadership contractor's web site. Finally, two other training modules focus on related strategies to support workforce preparation, Integrated and Contextualized Instruction in the ESL, and in the ABE/ASE Classrooms, respectively.

Leadership Collaboration

The CDE and the contractors hold quarterly meetings to coordinate all activities listed in the sections above. This is to ensure that the contractors are working together with the same goals and objectives as outlined in the WIOA law. Responsibilities are outlined and tasks with appropriate action plans are devised. The purpose of the quarterly meetings is to make sure that services are provided efficiently, to avoid duplication of efforts, and to offer the maximum amount of coordination across all contractors and the CDE.

Leadership contractors work in collaboration with each other to identify and provide a wide range of activities designed to assist local agencies in increasing participation rates, improve instruction, provide student resources, and promote student success. Many of the professional development training modules created by the contractors feature an online component intended to support the on-site training provided. Web-based seminars are created by the individual contractor or the CDE, and hosted by the technology and distance learning contractor. A direct focus on promoting networking with a variety of local agencies, in order to locate appropriate support services for students as well as coordination with the local America's Job Centers of California is also a priority. Professional development conducted through these contracts provides maximum benefit for the WIOA providers while incurring the lowest expense. In response to the COVID-19 pandemic, the three leadership contractors met with staff from the CDE Adult Education Office to quickly deploy resources to the adult education field. This included the promotion of recorded videos and trainings related to online learning, the development of a COVID-19 web page with updated information, trainings, and supports.

2. DESCRIBE HOW THE STATE WILL USE THE FUNDS TO CARRY OUT PERMISSIBLE STATE LEADERSHIP ACTIVITIES UNDER SECTION 223 OF WIOA, IF APPLICABLE

Not applicable

F. ASSESSING QUALITY

The CDE assesses the quality of providers through quarterly and annual evaluations. A major focus of these evaluations is to measure the effectiveness of state and local providers in attaining the core indicator performance levels negotiated with the United States Department of Education. These evaluations also measure continued progress and improvement of the goals and objectives of the considerations in Section 231(e).

The CDE reviews strategies, processes, and barriers to attaining the performance levels as well as quantitative and qualitative data to evaluate the progress and improvement of the programs.

The evaluations collect local provider and student performance measures; determine the level of student improvement; identify program quality; and determine the extent to which populations identified are served.

Results of the evaluations provide relevant information about the effectiveness of adult education programs; characteristics of the learners participating in the literacy programs; analyses of learner gains and identification of emerging needs; and the impact of local providers in meeting their identified performance standards.

Pursuant to Section 212 of the AEFLA, each agency must provide student progress measures obtained from all students who have attended at least 12 hours of instruction in programs receiving sections 225, 231, and 243 federal supplemental funds. Documented progress of student performance measures must include at a minimum:

- Literacy skill level improvements in reading, writing, and speaking the English language, problem solving, numeracy, and other literacy skills
- Placement in, retention in, or transition into postsecondary education, training, unsubsidized employment, or career advancement
- A secondary school diploma or its equivalent

All agencies are required to maintain individual student records for all students who have attended 12 hours of instruction. Each record must contain student identification and demographic information; attendance rates; years of schooling and placement level at program entry; initial learning goals; specified pre and post-testing student information; entry and update records; and other specified information necessary.

Monitoring and Program Evaluation

As part of the CDE's Federal Program Monitoring (FPM) process, the Adult Education Office conducts annual reviews to ensure local agencies provide effective and high-quality services consistent with WIOA, Title II legislation. The FPM process also evaluates fiscal and legal areas of responsibility. Agencies selected for review each year are determined by using risk criteria developed by both the FPM and Adult Education Offices. In addition, for ongoing assessment purposes:

1. The CDE requires all agencies to submit quarterly reports that reflect student participation levels and progress.
2. The CDE conducts an annual comprehensive qualitative program survey. This survey is required of all participating agencies and involves practitioner focus groups and interviews of both teachers and students. The results provide recommendations for state level planning and development activities, identify best practices and emerging needs, and help focus professional development and training to ensure effective instructional programs for targeted populations.
3. The CDE presently incorporates the Core Performance Follow-up Survey system to track student outcomes in the areas of obtaining or retaining employment, as well as transitioning to postsecondary education or training. Under the WIOA, the CDE in collaboration with the Employment Development Department, will create an accountability system to track and report the employment follow up required by the new law

Evaluating Professional Development

Beginning in 2001, the CDE contracted with the American Institutes for Research (AIR) to serve as its provider of statewide professional development through the California Adult Literacy Professional Development Project (CALPRO). AIR is one of the world's largest behavioral and social science research and evaluation organizations, and it has considerable expertise in adult learning, technical assistance (TA), and professional development (PD) for adult educators. Regardless of the topic, creating products and services for CALPRO, AIR's researchers and TA experts determine what the research says and the best practices effective for adult education. AIR works with external subject matter experts and field practitioners to inform, create, and

refine the research-based products that will be appropriate for California adult education contexts.

When delivering a training, CALPRO staff, together with its network of external consultants, modifies its products as needed to continue to improve them while staying true to the research.

In order to assess professional development related to reading instruction, CALPRO offers a six-month Evidence-based Reading Instruction (EBRI) Institute that is extremely comprehensive. Cohorts of practitioners continually assess their students' ability in the four components of reading, and adjust instruction based on student data, using the new skills and concepts they have gained from the institute. The institute, as with other CALPRO CoP professional development opportunities, encourages teachers to reflect on their practice, implement new skills and knowledge with their students, and then refine their practice based on how students respond. CALPRO continually refines its EBRI Institute based on the experiences of its practitioners enrolled in it, while staying true to the underlying research.

For professional development specific to the needs of adult learning, CALPRO's offers Instructor Competencies Self-Assessment (ICSA) and Individual Professional Development Plan. Revised and updated in April 2016, the ICSA is based on a nationally validated, research-based set of Adult Education Teacher Competencies (AETC), which AIR developed for an Office of Career, Technical, and Adult Education initiative. These 17 competencies span four distinct domains and identify the knowledge and skills that every adult educator needs to have as the foundation for effective instruction. Adult educators may take the ICSA, rate themselves in three areas, and receive results instantly. Their results are provided together with an individual PD plan containing numerous targeted resources specific to each competency, available through CALPRO, other State Leadership Projects and/or Literacy Information and Communication System (LINCS). Teachers are instructed to develop a professional development plan, implement the plan and re-assess their performance. Teachers can take the ICSA as many times as they wish and compare their results and plans over time, as their job priorities and skills change. Additionally, CALPRO has a PD module and a research brief based on these same AETC competencies. As well, CALPRO offers training in Understanding the Adult Learner in both face-to-face and in two online formats. Finally, all CALPRO trainings are developed using principles of effective adult learning so that the instructors and administrators pursuing PD will be effectively engaged.

In working with paid personnel employed by WIOA funded agencies, CALPRO's PD is intended to serve individual educators, as well as a higher program level. For example, the ICSA mentioned above can be taken voluntarily and accessed on CALPRO's web site. A database collects responses and allows individual teachers to go back to reexamine their results over time and look for teacher change. If "quality of PD" is best determined by teacher change of practice, the ICSA and its PD plan encourages teachers to re-take the self-assessment as their students' needs change and teachers' priorities in PD evolve. At the program level, every PD offering is designed to include strong implementation emphasis, in which teachers reflect on their implementation and then refine their practice. For CALPRO's more extensive PD offerings, such as the Professional Learning Communities Institute, the Leadership Institute for New and Aspiring Administrators, the Regional Communities of Practice, and the Training of Trainers Institute; there is a strong emphasis on understanding the impact of the PD as adult educators implement their new knowledge and skills in their program and instructional contexts. CALPRO refines its institutes based on participants' needs while still adhering to research-based practices.

As part of the 2020–23 WIOA, Title II: AEFLA RFA process, the CDE will require that agencies submit a CIP. The CIP requires that agencies establish Specific, Measurable, Attainable, Relevant, and Timebound (SMART) goals including a detailed action plan. The action plan should include the type of professional development which will be provided to staff.

CALPRO disseminates information promptly about effective models, research-based and promising practices through many vehicles; such as an annual comprehensive PD module delivered through various means, including face-to-face, blended, and online formats; multiple formats of online professional learning; an annual research brief; and a web-based research archive. In all of its training, CALPRO seeks to understand how effective its PD is by understanding how teachers' practice changes. All CALPRO trainings encourage adult educators to reflect on their work and the concepts and skills acquired in the training and then apply it in their instructional contexts.

The CDE funds additional State Leadership Projects through the AEFLA grant. CASAS, which provides assessment and data and accountability; and OTAN, which provides distance learning and instructional technology.

CASAS disseminates information through its annual CASAS Summer Institute, statewide regional network meetings, covering all 10 CDE regions, and TOPSpro Enterprise network meetings. CASAS also provides targeted TA to improve programs, data quality, and NRS performance on persistence; educational functioning levels (EFLs) and core performance indicators for entering and retaining employment, entering postsecondary education and training programs, and obtaining a HSD or a HSE. CASAS also provides a variety of online training sessions, statewide face-to-face trainings, and an online tool that presents California NRS adult learner data at the state and local agency levels; where agencies can compare local performance with state goals, other local agencies, and counties in AEFLA programs.

OTAN disseminates information through a multitude of face-to-face and online workshops, conference presentations, and by producing videos that demonstrate teaching with technology and technology integration lesson plans. All videos are archived on OTAN's web site. OTAN also hosts the Digital Leadership Academy (DLAC). This program combines OTAN's previous Academies (Technology Integration Mentoring Academy and the Online Teaching Academy) and is offered for two years to ensure agencies meet their technology integration, distance learning, or blended teaching goals. The Technology and Distance Learning Symposium is OTAN's annual conference with dynamic, hands-on presentations and lively discussions that show participants how to integrate technology into instruction and extend the classroom to learners through blended and distance learning. When held in-person, the Technology and Distance Learning Symposium rotates each year between north and south geographic locations in the state. In response to the COVID-19 pandemic, the Symposium has been held virtually until it is safe to return to face-to-face meetings.

ADULT EDUCATION AND FAMILY LITERACY ACT PROGRAM CERTIFICATIONS

The State Plan must include	Include
1. The plan is submitted by the State agency that is eligible to submit the plan;	Yes
2. The State agency has authority under State law to perform the functions of the State under the program;	Yes
3. The State legally may carry out each provision of the plan;	Yes
4. All provisions of the plan are consistent with State law;	Yes
5. A State officer, specified by title in the certification, has authority under State law to receive, hold, and disburse Federal funds made	Yes

The State Plan must include	Include
available under the plan;	
6. The State officer who is submitting the plan, specified by the title in the certification, has authority to submit the plan;	Yes
7. The agency that is submitting the plan has adopted or otherwise formally approved the plan; and	Yes
8. The plan is the basis for State operation and administration of the program;	Yes

ADULT EDUCATION AND FAMILY LITERACY ACT PROGRAM ASSURANCES

The State Plan must include	Include
1. The eligible agency will expend funds appropriated to carry out title II of the Workforce Innovation and Opportunity Act (WIOA) only in a manner consistent with fiscal requirements under section 241(a) of WIOA (regarding the supplement-not-supplant requirement);	Yes
2. The eligible agency will ensure that there is at least one eligible provider serving each local area, as defined in section 3(32) of WIOA;	Yes
3. The eligible agency will not use any funds made available under title II of WIOA for the purpose of supporting or providing programs, services, or activities for individuals who are not "eligible individuals" within the meaning of section 203(4) of WIOA, unless it is providing programs, services or activities related to family literacy activities, as defined in section 203(9) of WIOA;	Yes
4. Using funds made available under title II of WIOA to carry out a program for criminal offenders within a correctional institution, the eligible agency will give priority to serving individuals who are likely to leave the correctional institution within five years of participation in the program.	Yes
5. The eligible agency agrees that in expending funds made available under Title II of WIOA, the eligible agency will comply with sections 8301 through 8303 of the Buy American Act (41 U.S.C. 8301-8303).	Yes

AUTHORIZING OR CERTIFYING REPRESENTATIVE

APPLICANT'S ORGANIZATION	**Enter information in this column**

APPLICANT'S ORGANIZATION	Enter information in this column
Applicant's Organization	California Department of Education
PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	**Enter information in this column**
First Name	Mary
Last Name	Nicely
Title	Chief Deputy Superintendent
Email	mnicely@cde.ca.gov

SECTION 427 OF THE GENERAL EDUCATION PROVISIONS ACT (GEPA)

California meets the General Education Provision Act (GEPA) requirements at the state level by ensuring that grantees have submitted a sufficient section 427 statement in the 2020—23 Application for the WIOA, Title II: AEFLA grant. The California Department of Education also requires WIOA, Title II: AEFLA grantees to comply with general assurances that include compliance with:

- Title VI and Title VII of the Civil Rights Act of 1964; the California Fair Employment Practices Act, Government Code §11135; and Chapter 1, Subchapter 4 (commencing with §30) of Division I of Title 5, California Code of Regulations (5 CCR)
- Title IX (nondiscrimination on the basis of sex) of the Education Amendments of 1972 • The affirmative action provisions of the Education Amendments of 1972. • The Age Discrimination Act of 1975 • Disability laws of (Public Law (PL) 105-17; 34 Code of Federal Regulations (34 CFR) 300, 303; and Section 504 of the Rehabilitation Act of 1973) The general assurances further require that: • The local governing board has adopted written procedures to ensure prompt response to complaints within 60 days, and has disseminated these procedures to students, employees, parents or guardians, district/school advisory committees, appropriate private school officials or representatives, and other interested parties. (5 CCR, §4600 et seq.)
- The program using consolidated programs funds does not isolate or segregate students on the basis of race, ethnicity, religion, sex, sexual orientation or socioeconomic status. (United States Constitution, Fourteenth Amendment; California Constitution, Article 1, §7; California Government Code §§11135-11138; 42 USC §2000d; 5 CCR, §3934) California further meets the General Education Provision Act (GEPA) requirements at the state level by:
- Ensuring that communications to local providers and partners are in compliance with Section 508 of the Rehabilitation Act of 1973
- Providing professional development on serving the educational needs of English language learners
- Providing guidance on the use of technology to assist students with special needs, including distance learning
- Providing local providers with translations of critical forms, such as the Voluntary Authorization to Share Personally Identifiable Information and Records Form available in 14 languages including Arabic, Cantonese, Eastern Armenian, Hmong, Mandarin, Russian, Spanish, and Vietnamese.

ADULT EDUCATION AND LITERACY PROGRAM PERFORMANCE INDICATORS

Performance Indicators	PY 2022 Expected Level	PY 2022 Negotiated Level	PY 2023 Expected Level	PY 2023 Negotiated Level
Employment (Second Quarter After Exit)	20.0%	21.0%	21.0%	22.0%
Employment (Fourth Quarter After Exit)	18.0%	19.0%	19.0%	20.0%
Median Earnings (Second Quarter After Exit)	$5,600	$5,600	$5,700	$5,700
Credential Attainment Rate	10.0%	13.0%	11.0%	14.0%
Measurable Skill Gains	34.0%	34.0%	38.0%	38.0%
Effectiveness in Serving Employers	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]

1

"Effectiveness in Serving Employers" is still being developed and this data will not be entered in the 2022 State Plan modifications.

PROGRAM-SPECIFIC REQUIREMENTS FOR VOCATIONAL REHABILITATION (COMBINED OR GENERAL)

A. INPUT OF STATE REHABILITATION COUNCIL

1. INPUT PROVIDED BY THE STATE REHABILITATION COUNCIL, INCLUDING INPUT AND RECOMMENDATIONS ON THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN, RECOMMENDATIONS FROM THE COUNCIL'S REPORT, THE REVIEW AND ANALYSIS OF CONSUMER SATISFACTION, AND OTHER COUNCIL REPORTS THAT MAY HAVE BEEN DEVELOPED AS PART OF THE COUNCIL'S FUNCTIONS;

The State Rehabilitation Council (SRC) and CDOR partner together to carry out the Rehabilitation Act to maximize the employment and independence for individuals with disabilities. The ongoing collaboration between the SRC and CDOR on the VR Services Portion of the State Plan is an essential component and a result of this partnership.

The SRC and CDOR's Planning Unit meet regularly to review, discuss, and evaluate CDOR's progress in meeting the State Plan and movement towards achieving the goals and priorities. The SRC used the information to provide recommendations for CDOR's consideration to Description i - State Goals and Priorities and Description o. State's Strategies. Together, the SRC and CDOR jointly developed, reviewed, and agreed to the priorities and goals for the VR Services Portion of the 2022 Modification of the Unified State Plan.

The SRC and CDOR finalized modifications of the Consumer Satisfaction Survey (CSS) after a year's worth of review and adjustments. The new survey instrument represents the combined effort of the SRC and CDOR to assess consumer satisfaction and to evaluate the effectiveness of the VR program. The new survey was distributed in early 2021 and the SRC is using the preliminary results to look at how to improve VR services for Californians with disabilities.

The CDOR presented the preliminary results of the 2020 CSS to the SRC in Summer 2021 and will share the final results of the survey with the SRC in early 2022.

The SRC and CDOR continue to develop and conduct the Comprehensive Statewide Assessment (CSA) together. In 2020, the final 2018-2020 CSA report was released and the findings in the report made recommendations for CDOR's consideration. Moving forward to 2021, the SRC and CDOR are jointly conducting the new triennial CSA to determine the rehabilitation needs of individuals with disabilities in California. The SRC meets with CDOR's Planning Unit regularly and has provided feedback on the areas of focus for the CSA topic areas and research goals.

The SRC Annual Report (posted on CDOR's website) provides additional details on the SRC's perspectives and accomplishments. During the past term (October 2019 – September 2021) the SRC adopted seven recommendations. These recommendations were the result of many productive and active discussions between the SRC, CDOR and other stakeholders, and reflect the SRC's efforts to review, analyze and advise CDOR on the performance and effectiveness of California's VR program. The recommendations are as follows:

SRC Recommendation 2020.1 – Recruitment and Retention of VR Counselors

The SRC recommends that CDOR work to understand the causes, and explore solutions, related to the recruitment and retention of CDOR VR Counselors. Examples: survey the current VR Counselor population, and research best practices from other states and technical assistance organizations.

CDOR Response to SRC Recommendation 2020.1

The CDOR thanks the SRC for its recommendation regarding the recruitment and retention efforts of CDOR VR Counselors. The CDOR's 2020-2023 VR portion of the State Plan, 2019 State Leadership Accountability Act (SLAA) report, and the 2015-2020 Workforce Strategic Plan support CDOR's efforts towards recruitment and retention strategies for VR Counselors. The 2020-2023 CDOR State Plan shows CDOR has 567 VR Counselor positions and projects 166 VR Counselor vacancies over the next five years. The challenges to the recruitment and retention efforts of VR Counselors listed in the SLAA report were due to high-cost geographical locations of the VR Counselor positions, low pay differentials, and the lack of a robust candidate pool. Further, CDOR's Workforce Strategic Plan used qualitative analysis and evidence from the VR Counselors' employee exit surveys to identify low pay as the primary cause, besides retirement, why VR Counselors leave their position. VR Counselors have higher salary opportunities for comparable job duties available statewide at the U.S. Department of Veterans Affairs, at universities, or within the private sector.

To help attract and retain VR Counselors, CDOR offers internships, student positions, generous benefits, telework, flexible work schedules, and career advancement opportunities. The CDOR has improved and increased workplace engagement by holding virtual all-staff meetings and added Microsoft Teams for team-based discussion, collaborating, and remote meetings. The CDOR publishes recruitment tools on the intranet and encourages workforce planning as a standing agenda item for district management team meetings. The CDOR understands recruitment and retention require strategic thought and planning and will continue to monitor these efforts.

SRC Recommendation 2020.2 – Impact of Assembly Bill (AB) 5

The SRC recommends that as CDOR develops the department's state fiscal year 2021/22 budget, to consider the impact of AB 5 as it relates to the availability of individual service providers (ISPs) and other contractors (e.g., CDOR provide ISPs with assistance they may need in order to comply with AB 5). Note: AB 5 refers to California Assembly Bill 5 Worker status: employees and independent contractors (2019 – 2020). Effective January 1, 2020, AB 5 entitles many

wage-earners who were previously considered independent contractors to be classified as employees with protections.

CDOR Response to SRC Recommendation 2020.2

The CDOR appreciates this recommendation and is working to fully implement Assembly Bill 5 (Gonzalez, Statutes of 2019, Chapter 296). It is CDOR's policy to use Community Rehabilitation Programs (CRPs) and existing community resources to meet the service needs of our consumers with CRPs being the primary and preferred providers. In some situations, CRPs may not offer the VR services needed by a consumer, or a CRP may not be available to provide timely services needed by consumers in a specific geographic area of the state. In such situations, CDOR has previously provided services through ISPs who worked as individual contractors, which is problematic under Assembly Bill 5. The CDOR has significantly decreased the number of ISPs used; is providing employment services directly; and is implementing plans to contract for additional service delivery categories that were historically provided by ISPs. As with all service delivery decisions, CDOR will develop a fiscal analysis of proposed approaches to ensure effective fiscal planning.

SRC Recommendation 2020.3 – Increase Outreach about CDOR Services

The SRC recommends CDOR address the decline in new applications for CDOR services since COVID-19 by increasing knowledge of and engagement in CDOR services through collaborative communications efforts (i.e., social media, email, and website) with other state agencies and organizations (e.g., Employment Development Department (EDD), California Department of Education, and with Listos California.) Note: Listos is helping California respond to COVID-19.

CDOR Response to SRC Recommendation 2020.3

The CDOR appreciates the SRC's suggestions to address the decline in new applications through collaborative communication efforts. Collaboration of messages and website content with like-minded agencies and organizations continues to be a large part of CDOR's communication strategy.

In 2020, CDOR extended its social media audience reach by 30% and more than 100% in post engagements (the number of times people liked, reacted, commented, or shared CDOR's social media posts). The CDOR collaborated with the EDD, the California Department of Aging, Listos California, the California Foundation for Independent Living Centers, the State Independent Living Council (SILC), and The Arc of California on joint social media campaigns such as the Americans with Disabilities Act 30th anniversary, National Disability Employment Awareness Month, and ongoing emergency response communication efforts. Further collaboration is planned with other entities such as the State Council on Developmental Disabilities and the California Transition Alliance.

To help drive interested individuals to CDOR's website, educational institutions, workforce development boards, and partners provide links from their website to the CDOR website. These partners include school districts, offices of education, community colleges, universities, the Anaheim Workforce Connection, Disability Benefits 101, County of Marin Health and Human Services, San Mateo County Health, and Vision Aware. Future work includes plans for CDOR to increase its outreach to foster care youth and justice-involved individuals.

SRC Recommendation 2020.4 – Eliminating Racial and Ethnic Disparities

The SRC recommends CDOR integrate ongoing mechanisms throughout its operations to eliminate racial, ethnic, and cultural disparities (to include identification, data analysis, stakeholder review, training, and performance of services).

CDOR Response to SRC Recommendation 2020.4

The CDOR appreciates this recommendation and is addressing racial, ethnic, and cultural disparities. Looking inward, CDOR established the Diversity, Equity, and Inclusion (DEI) team to develop the department's DEI vision, goals, and objectives for state fiscal year 2020-21. This team will work to build CDOR's internal capacity to support long term DEI efforts and develop an initial set of strategies to be implemented by CDOR. The CDOR has supported managers' participation in implicit bias and cultural competency trainings. Employees have united through the work of the African American and Asian Pacific Islander taskforces and established the Latinx taskforce.

The majority of CDOR CRPs are accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF). The CARF is committed to diversity and cultural competence in all CARF activities and associations and has an eight-module webinar available to its members to support ongoing development.

The CDOR is collecting, analyzing, and sharing data on consumer demographics to learn more about the consumers served or who are potentially unserved or underserved. The CDOR conducts a triennial CSA to identify unserved or underserved communities and strategies to serve them. The CDOR has entered into demographic data sharing agreements with the EDD and nationally with VR agencies. The CDOR is contracting with San Diego State University to analyze consumer demographic data and employment outcomes. The CDOR's support of these data endeavors and diversity, equity, and inclusion efforts will further the department's commitment to the pursuit of employment, independence, and social equity.

SRC Recommendation 2021.1 – Plain Language for Financial Participation and Loaned Property Regulations

The SRC recommends CDOR materials (informational handouts to consumers, website content, staff resources and training) related to financial participation and loaned property regulations are developed with plain language and examples to ensure understanding by staff, consumers, and the public, reassuring that access to needed services will continue in an equitable and fair manner.

CDOR Response to SRC Recommendation 2021.1

The CDOR agrees with this recommendation. The CDOR is required by Government Code section 6219 to write each document it produces in plain, straight forward language, avoiding technical terms as much as possible, and using a coherent and easily readable style. The CDOR will develop consumer informational handouts, website content, resources, and training materials related to financial participation and loaned property regulations, when approved, consistent with the requirements of Government Code section 6219. The intent of the information is to ensure consumers, staff, and interested stakeholders understand how the regulations are applied, are given examples, and know who to contact for questions or concerns. The CDOR will keep the SRC involved as an active partner to provide input as these products are developed.

SRC Recommendation 2021.2 – Virtual Delivery Services Project and Student Assistant and Peer Mentorship Project

The SRC recommends CDOR assess the Virtual Delivery Services Project and Student Assistant and Peer Mentorship Project in terms of:

- Analyzing performance outcomes of these projects.
- Consideration for statewide implementation in all CDOR Districts.

CDOR Response to SRC Recommendation 2021.2

The CDOR appreciates the recommendation of the SRC and agrees that an evaluation to determine the efficacy of these programs is important to support the possible broad

implementation of the two programs. The CDOR sees the value and innovation that the two service delivery projects, Virtual Delivery Services and the Student Assistant and Peer Mentorship Project, have brought to CDOR Inland Empire District. Both projects ensured continuing VR services and CDOR Student Services (pre-employment transition services) to consumers and students, respectively, during the COVID-19 pandemic.

Both projects are tracking their utilization and impact through established performance measures, including cost, goals, and outcomes. This information will help CDOR analyze the extent to which the projects are achieving the intended results to inform CDOR's consideration for statewide implementation of both projects to all CDOR districts. The CDOR plans to evaluate and start making decisions on changes, including expansion during and through State Fiscal Year 2021-2022.

SRC Recommendation 2021.3 – VR Connections Project - Stakeholder Input, Response, and Accessibility

The SRC recommends that the VR Connections Project staff:

1. Provide meaningful opportunity for stakeholder input (including vendors, consumers, and CDOR staff);
2. Respond to stakeholder input to ensure that VR Connections provides an effective and efficient platform for all users; and
3. Ensure that the VR Connections Project meets Americans with Disabilities Act (ADA) accessibility requirements.

CDOR Response to SRC Recommendation 2021.3

The Vocational Rehabilitation Connections Portal is an online portal that will enhance collaboration, business processes, and service delivery. Once fully implemented, the portal will help CDOR consumers and vendors save time and increase efficiency and accuracy by automating tasks. Implementation of the VRC Portal began in January 2021 and will continue to expand to serve the needs of CDOR consumers, vendors, and staff. The CDOR concurs with this SRC recommendation and has initiated actions to facilitate stakeholder input throughout the VR Connections Project and deliver an effective and efficient platform for all users that meets all accessibility requirements.

In May 2021, the VR Connections Project team administered a survey to vendors, consumers, and staff to assess overall satisfaction and gather feedback on how current features can be improved. Survey results indicate overall VR Connections satisfaction was rated from 1 to 5, with "1" being least satisfied and "5" most satisfied. Initial survey results revealed a vendor satisfaction rating of 3.9 out of 5, consumer satisfaction rating was 4.2 out of 5, and staff satisfaction rating was 3.5 out of 5. In July 2021, a second set of surveys was sent to vendors, consumers, and staff to collect information for future VR Connections development including a solicitation for stakeholder participation in upcoming design sessions, with additional surveys planned throughout the life of VR Connections. As noted, in combination with the ongoing stakeholder surveys, and to inform future VR Connections features prior to final design and implementation, CDOR is incorporating stakeholder feedback through vendor and consumer participation in design sessions.

Accessibility is a requirement and philosophy of CDOR, including for the VR Connections Project. The VR Connections Project team ensures accessibility standards are met by adhering to California Government Code sections 7405 and 11135, and Web Content Accessibility Guidelines. The VR Connections Project team includes the input of assistive technology (AT) users throughout the development and testing of features to confirm accessibility for all AT users.

The VR Connections Project team will ensure accessibility standards continue to be met and will engage, listen, and respond to stakeholders through surveys, design review sessions, and the VRConnections@dor.ca.gov inbox.

2. THE DESIGNATED STATE UNIT'S RESPONSE TO THE COUNCIL'S INPUT AND RECOMMENDATIONS; AND

Refer to Description (a)(1) - Input of the State Rehabilitation Council for CDOR's response.

3. THE DESIGNATED STATE UNIT'S EXPLANATIONS FOR REJECTING ANY OF THE COUNCIL'S INPUT OR RECOMMENDATIONS.

Refer to Description (a)(1) - Input of the State Rehabilitation Council for CDOR's response.

B. REQUEST FOR WAIVER OF STATEWIDENESS

1. A LOCAL PUBLIC AGENCY WILL PROVIDE THE NON-FEDERAL SHARE OF COSTS ASSOCIATED WITH THE SERVICES TO BE PROVIDED IN ACCORDANCE WITH THE WAIVER REQUEST;

The CDOR requests a continuation of its waiver of statewideness for third–party cooperative arrangements (referred to in California as Cooperative Agreements or Cooperative Programs) with local educational agencies (LEAs), public higher education agencies, and county human services agencies. These arrangements between CDOR and local public agencies are designed to increase the availability and quality of VR services which assist consumers to achieve competitive integrated employment. Although cooperative agreements exist in each CDOR district, CDOR does not have sufficient staff or budget authority to contract with every potential cooperative partner in the state. In geographic areas where a cooperative agreement is not available, individuals in any area of the State can apply for VR services at any local CDOR field office at any time.

Cooperative agreements include the following required federal assurances:

- Local funds used as match are verified as non–federal monies. The non–federal share of funds are made available by the local public agencies to CDOR and are either paid through a cash match contribution or reported as certified expenditures of redirected agency staff time to provide a unique pattern of VR services exclusively to CDOR applicants and consumers, or potentially eligible students with disabilities. Each cooperative agreement identifies the type and amount of match to be provided by the local public agency.
- The types of VR or CDOR Student Services provided to CDOR applicants and consumers, or potentially eligible consumers by the local public agency or associated vendor are identified by the VR Counselor.
- An authorizing case note is issued by CDOR to the local public agency or associated CRP, which designates the specific type of VR or CDOR Student Services to be provided to CDOR applicants and consumers or potentially eligible consumers.
- The services provided are for CDOR applicants and consumers, or potentially eligible students with disabilities, and are new services that have a VR focus or existing services that have been modified, adapted, expanded, or reconfigured to have a VR focus, and that are not customary services the local public agency is legally mandated to provide. The services included in each cooperative agreement are based on the local needs of CDOR applicants and consumers and the local public agency.
- Program expenses for cooperative agreement services are under the administrative supervision of CDOR through the cooperative agreement.

- Each cooperative program and CDOR District establish a mutual referral system for individuals to apply for VR services.
- The requirements of the VR Services Portion of the Unified State Plan will apply to all services provided to CDOR applicants and consumers under the cooperative agreement, including the Order of Selection identified in the response for Description (m) – Order of Selection.

The CDOR administers VR services through the following cooperative programs for which the waiver of statewideness is requested. Through these agreements, the participating cooperative program provides one or more new or expanded VR services to CDOR applicants and consumers, or potentially eligible students with disabilities.

Transition Partnership Programs

The CDOR administers 102 cooperative programs, known as Transition Partnership Programs (TPPs) with LEAs, County Offices of Education (COEs), or Special Education Local Plan Areas (SELPAs) providing CDOR Student Services and VR services to potentially eligible and eligible students with disabilities in hundreds of individual schools. The goal of the TPPs is to serve high school students with disabilities, including physical, blind, deaf, intellectual, developmental, and behavioral health disabilities (mental health and/or psychiatric disabilities) by facilitating the effective transition from school to meaningful competitive integrated employment.

As of July 1, 2020, all of the 102 TPP contracts have transitioned to a new CDOR Student Services design that further identifies the provision of CDOR Student Services to accurately report to RSA both fiscal 15% spending and CDOR Student Services delivery. Currently, all TPP contracts are providing CDOR Student Services to students with disabilities in the potentially eligible and VR case type.

The LEA or SELPA will refer potentially eligible and eligible students with disabilities ages 16 through 22 who can benefit from CDOR Student Services and VR services to CDOR. The maximum age range for students with disabilities to receive CDOR Student Services is consistent with the maximum age range for special education services specified in California Education Code Section 56026. The assigned VR Counselor will then open a case and work in partnership with the student to complete a CDOR Student Services Request (DR 203) and Student Services Plan (DR 205) for potentially eligible students or an Individualized Plan for Employment (IPE) for students accepted as VR consumers as early as possible, but at the latest before the student leaves school. Through the cooperative agreement, the participating LEAs, COEs, or SELPAs provide one or more new or expanded VR service to students.

These services conform to the definition of Pre–Employment Transition Services required by the Workforce Innovation and Opportunity Act (WIOA) and contain the following key features: job exploration counseling; work-based learning experiences; counseling on post–secondary opportunities; workplace readiness training; and instruction in self-advocacy. These services, in addition to others provided on an individual basis are intended to ultimately result in competitive integrated employment.

Through meetings, presentations, and school events (i.e., back-to-school nights, etc.), CDOR Student Services staff continue to collaborate with local schools, districts, and LEAs to promote, coordinate and provide CDOR Student Services.

The CDOR Executive Staff met with SELPA Directors in March 2019 to discuss benefits and facilitation of coordinating and collaborating on the provision of CDOR Services. The topics discussed included:

- Exchange of contact information of CDOR District Administrators and SELPA Directors.
- Utilization of the Education Training Catalog as a tool to support local partnerships.

- Clarification of the differences between CDOR and California Department of Education (CDE) Interagency Agreement Appendix A and the Competitive Integrated Employment (CIE) Blueprint Local Partnership Agreement (LPA).
- Leveraging resources between SELPA and CDOR. (This involves ongoing conversations on WIOA / Individuals with Disabilities Education Act (IDEA) Crosswalk. The intent of the crosswalk is to support student outcomes and improve CDE and CDOR performance by understanding how the agencies align, the potential impact on shared student data, timelines, and priorities.)

The CDOR districts are leveraging the CDOR and CDE Interagency Agreement (IA) Appendix-A template to develop local Memorandums of Understanding or Interagency Agreements, where appropriate, to facilitate the provision of CDOR Student Services in secondary schools. The template is an appendix of the state-level Interagency Agreement and defines the policies and procedures that LEAs and CDOR districts will use to facilitate a smooth transition from secondary education to postsecondary employment-related activities and competitive integrated employment for students with disabilities. The agreement will define the responsibilities of LEAs and CDOR districts, provide for efficient and effective utilization of resources, minimize duplication, and provide a foundation for continuous, effective working relationships between LEAs and CDOR districts.

WorkAbility II Cooperative Programs

The CDOR administers two WorkAbility II cooperative programs with LEAs, Adult Schools, or Regional Occupational Programs. The goal of the WorkAbility II is to assist adult and out–of–school youth and adults with disabilities to obtain competitive integrated employment. The VR services provided include vocational assessment, employment preparation and vocational instruction, job development, placement, and job retention, and short-term supports.

WorkAbility III Cooperative Programs

The CDOR administers 14 WorkAbility III cooperative programs with community colleges. The goal of the WorkAbility III is to assist community college students with disabilities to obtain competitive integrated employment. The VR services provided include vocational assessment, employment preparation, job development, placement, and job retention services.

WorkAbility IV Cooperative Programs

The CDOR administers five WorkAbility IV cooperative programs with the California State University or University of California. The goal of the WorkAbility IV is to assist college students with disabilities to obtain competitive integrated employment. The VR services provided include internships, employment preparation, job development, placement, and job retention services.

Mental Health Cooperative Programs

The CDOR administers approximately 10 mental health cooperative programs with county mental health agencies. The goal of the mental health cooperative programs is to assist individuals with behavioral health disabilities live independently in the community through obtaining successful competitive integrated employment. The VR services provided may include vocational assessment, personal vocational and social adjustment, work adjustment, employment preparation, job development, placement, and job retention services, as well as short-term supports.

2. THE DESIGNATED STATE UNIT WILL APPROVE EACH PROPOSED SERVICE BEFORE IT IS PUT INTO EFFECT; AND

Refer to the bullet point under Description (b)(1) – Request for Waiver of Statewideness, which states, "An authorizing case note is issued by CDOR to the local public agency or associated community rehabilitation provider, which designates the specific type of VR or CDOR Student Services to be provided to CDOR applicants and consumers or potentially eligible consumer."

3. REQUIREMENTS OF THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN WILL APPLY TO THE SERVICES APPROVED UNDER THE WAIVER.

Requirements of the VR services portion of the Unified or Combined State Plan will apply to the services approved under the waiver.

Refer to the bullet point under Description (b)(1) – Request for Waiver of Statewideness, which states, "The requirements of the VR Services Portion of the Unified State Plan will apply to all services provided to CDOR applicants and consumers under the cooperative arrangement, including the Order of Selection identified in the response for Description (m) – Order of Selection."

C. COOPERATIVE AGREEMENTS WITH AGENCIES NOT CARRYING OUT ACTIVITIES UNDER THE STATEWIDE WORKFORCE DEVELOPMENT SYSTEM

1. FEDERAL, STATE, AND LOCAL AGENCIES AND PROGRAMS;

The CDOR works cooperatively with the following state and local agencies that do not carry out activities under the statewide workforce investment system, through Cooperative Agreements, Memorandum of Understandings, Interagency Agreements, or grants:

California Association of Student Financial Aid Administrators

Memorandum of Understanding: Guidelines for Joint Financial Support – establishes guidelines for the joint financial support of CDOR student consumers to achieve their educational goals, eventually leading to employment. This Memorandum of Understanding supports students enrolled in the California postsecondary setting with a financial aid office on campus.

California State University (CSU)

Memorandum of Understanding: Service Commitment for CSU Students who are CDOR Consumers – details the commitment of the CSU and CDOR to work cooperatively to provide services to eligible CSU students who are CDOR consumers with disabilities.

California Community Colleges Chancellor's Office

A Memorandum of Understanding between CDOR and the California Community Colleges that provides the framework to work cooperatively to improve services to the consumers of both programs. The agreement establishes processes for information sharing and service provision by each program. This partnership results in more comprehensive, complete, and timely services for consumers of both programs.

The Regents of the University of California (UC)

Memorandum of Understanding: Service Commitment for UC Students who are CDOR Consumers – details the commitment of the UC and CDOR to work cooperatively to provide services to eligible UC students who are CDOR consumers with disabilities.

California State Controller's Office

Interagency Agreement 1: Claim Processing – expedites services to process claim schedules containing vendor invoices for goods and services provided to CDOR staff and consumers to ensure timely payment for continuance of services and compliance with the California Prompt Payment Act.

Interagency Agreement 2: Employee Leave System – provides CDOR Human Resource staff access and use of the State Controller's Office California Leave Accounting System for CDOR employees to perform a variety of functions necessary to accurately record and track leave system eligibility, balances, state service credits, and leave benefit activity.

Interagency Agreement 3: Human Resource Reports – provides CDOR Human Resource staff access and use of the Management Information Retrieval System to generate pre–written reports or create ad hoc reports on CDOR employee employment history, payment history, employer– sponsored deductions, and position inventory.

California Department of General Services

CDOR Purchasing Agreements – The California Department of General Services oversees the statewide contracts for purchasing where agreements establish a pre–qualified list of vendors and simplify the purchasing process. Leveraged Procurement agreements are available to all State of California governmental entities, including CDOR, that expend public funds for the acquisition of both non-IT goods and services and IT good and services which have been assessed to be fair, reasonable, and competitive.

Interagency Agreement 1: CDOR Applicant and Consumer Mediation Assistance – the California Department of General Services, Office of Administrative Hearings mediators assist applicants and consumers who request mediation to explore options for mutual resolution of a dispute in a timely, non–confrontational manner. Through mediation, the parties (applicant or consumer and CDOR) have the opportunity to engage in a discussion facilitated by an objective mediator about CDOR regulations and policies in relation to the individual's request. At the request of consumers and applicants, the California Department of General Services, Office of Administrative Hearings also provides fair hearing services to review determinations made by CDOR that affect application for or provision of VR services or CDOR Student Services.

Interagency Agreement 2: Business Enterprises Program Fair Hearing Services – the California Department of General Services, Office of Administrative Hearings provides fair hearing services for CDOR Business Enterprise Program vendor appeals.

Interagency Agreement 3: Business Enterprises Program Insurance Management – the California Department of General Services, Office of Risk and Insurance Management provides management of the Business Enterprises Program statewide insurance program funded from food service vending machine locations.

California Department of Health Care Services Information Exchange

Interagency Agreement: Verification of CDOR Applicant's Benefit Status – used by CDOR to verify an applicant's Supplemental Security Income or Social Security Disability Insurance benefit status to assist in determining eligibility for CDOR services including application of the presumptive eligibility rules for Supplemental Security Income or Social Security Disability Insurance beneficiaries in accordance with Title I of the Rehabilitation Act.

California Department of Developmental Services: Individuals Eligible for Home and Community Based Waiver Programs

The CDOR has a formal agreement with the California Department of Developmental Services (DDS), California's State agency responsible for administering the Home and Community Based Services waiver for the State Medicaid plan under Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.). The DDS has the primary responsibility to provide services and supports for individuals with intellectual disabilities and developmental disabilities (ID/DD), including extended services, or individuals with the most significant disabilities who have been determined to be eligible for home and community–based services under a Medicaid waiver, Medicaid State plan amendment, or other authority related to a State Medicaid program period.

California Employment Development Department (EDD)

Interagency Agreement: Provides CDOR with confidential EDD wage and employer information to verify CDOR consumers' cases can be closed as employed and conducting federally required evaluation of the federal VR program.

California Department of Technology Services

Interagency Agreement: Data Processing – provides CDOR data processing services.

California Office of Systems Integration

Interagency Agreement: Formalized Governance – CDOR reimburses Office of Systems Integration for the proportional share of costs for on- going formalized governance, project assessment and strategic architecture services for delegated and non-delegated information technology projects.

California Public Utilities Commission

Interagency Agreement: Pilot project, started July 1, 2020, and will run through June 30, 2022, to provide speech generating devices to individuals with speech disabilities through a network of community partners.

Independent Living Centers

Grant 1: Statewide Grants: Administration and Oversight of Independent Living Services – Title VII Rehabilitation Act funds, state general funds, and state Social Security Reimbursement funds are used to administer CDOR's Independent Living program and monitor 28 Independent Living Centers that provide federally required services, including information and referral, independent living skills, advocacy, peer support, transition and diversion, housing, personal assistance, and AT services to individuals with disabilities.

Grant 2: Provision of Independent Living Services – Assembly Bill 204 grants that are issued to non–profit Independent Living Centers provide a wide range of person-centered, peer driven, community-based independent living services for individuals regardless of type of disability, age, and income level to achieve social and economic independence. Core services provided include peer counseling, information and referral, advocacy, personal assistance, housing assistance, independent living skills training; and other services and supports such as AT, transportation, job development, mobility assistance, and communication.

As a core service, Independent Living Centers provide transition and diversion services. Transition services assist individuals transitioning from nursing homes and other institutions to home and community-based living. Transition services also include youth transition for individuals with significant disabilities to transition out of high school into postsecondary education, independent living, and employment. Diversion services provide assistance to consumers who are at risk of entering institutions or going into higher levels of care so that they may remain living in the community.

Grant 2: State Plan for Independent Living 3: Independent Living Transition and Diversion Grants – Title VII B of the Rehabilitation Act grants funds used to assist Independent Living Centers with the one-time costs associated with assisting people with disabilities of all ages to transition from institutional settings to community settings, to remain in the community when at risk of entering institutionalization, and for youth with disabilities to transition to postsecondary life.

Grant 3: State Plan for Independent Living Tier Augmentation Grants – Title VII B of the Rehabilitation Act grants funds used to create an equitable base funding level for Independent Living Centers and to build capacity for transition services, community organizing, and targeted outreach to underserved communities.

Grant 4: Systems Change Grant: In partnership with the State Independent Living Council (SILC), CDOR funds a Systems Change Grant through Title VII B of the Rehabilitation Act. The Grant, issued on January 1, 2021, through June 30, 2023, granted one non-profit agency the award to administer the Systems Change Network Hub program that funds the maintenance, coordination, and continued development of an existing systems change network focused on independent living issues affecting persons with disabilities.

Traumatic Brain Injury

Grant 1: Traumatic Brain Injury (TBI) Program – State General Fund used to sustain network of six community service provider TBI sites to assist individuals with TBI by providing supportive living, community reintegration, vocational supportive services, information and referral and public and professional education. The CDOR also coordinates TBI services and Technical Assistance through TBI site partners and provides information and best practices related to TBI consumers to Independent Living Centers and the TBI service network.

Home and Community Based Services Spending Plan TBI Grant – Through funding from the American Rescue Plan Act and Department of Health Care Services (DHCS), CDOR is expanding its TBI program to serve unserved and underserved populations through a network of services and supports for individuals with TBI, their families, and caregivers. The funding will go to six existing sites and fund up to six new sites. The grants are expected to start June 1, 2022, and end March 31, 2024.

Vocational Rehabilitation Services

Demand Side Employment Initiative (DSEI); also known as Disability Employment Program: Through funding from the State under a joint budget change proposal with DDS, CDOR is initiating a targeted marketing campaign and incentivizing employers to hire individuals with disabilities through technical assistance, contracts, or grants to make workplaces accessible, develop industry-recognized work-based learning opportunities, and support training for managers and human resources professionals. The grant started on July 1, 2021 and will end June 30, 2024.

State Independent Living Council

Interagency Agreement: State Independent Living Council Operation – Title VII B, Rehabilitation Act funds used to operate the SILC and provide SILC funds for various sub–grants and contracts necessary to carry out objectives of the State Plan for Independent Living by programs for people with disabilities.

Older Individuals who are Blind

Grants: The Older Individuals who are Blind Program Administration and Services – Title VII, Chapter 2 Rehabilitation Act funds used to administer and monitor the delivery of local Older Individuals who are Blind program services to visually impaired individuals age 55 and older to assist them to live independently, including funding 18 organizations to provide training in low–vision assistance, adaptive equipment, orientation and mobility, communication, daily living skills, self–advocacy, adjustment counseling, and transportation skills services to eligible individuals.

California Human Resources (CALHR)

Interagency Agreement: Exam Access – Selection System provides CDOR computer access to conduct departmental civil service examinations, as well as process and maintain civil service eligible lists and certification lists.

Ticket to Work and Self–Sufficiency Program

The CDOR actively coordinates with the Ticket to Work and Self– Sufficiency Program. Ticket to Work is a voluntary work incentive program for Social Security Disability Insurance or Supplemental Security Income beneficiaries between the ages of 18 and 64 who are interested in going to work. The Ticket to Work Program provides beneficiaries with access to VR, training, and placement services, job retention services, as well as other services and support. Beneficiaries can use their ticket to obtain employment services and support from CDOR or they can take their ticket to an approved service provider called an Employment Network. A ticket cannot be assigned to an Employment Network and in–use with CDOR at the same time.

The CDOR's Work Incentives Planners and VR Counselors have an active role in the Ticket to Work program. The CDOR's Work Incentives Planners verify ticket status, provide information as needed, and facilitate referrals to Employment Networks at case closure. VR counselors distribute CDOR's Ticket to Work fact sheet at intake, verify the ticket status prior to approving the IPE, and facilitate sequential services.

California Work Incentives Planning and Assistance (WIPA) Projects

Memorandum of Understanding: An agreement between CDOR and the seven California WIPA projects to improve coordination of work incentives planning services delivered to individuals receiving Social Security Disability Insurance (SSDI) and/or Supplemental Security Income (SSI). The Memorandum of Understanding (MOU) provides guiding principles for collaboration, information sharing and referrals between the CDOR and the WIPA projects.

The WIPA projects are organizations funded by the Social Security Administration to provide community-based work incentives planning services to SSDI/SSI beneficiaries. The WIPA projects are important CDOR partners working in cooperation to provide information SSDI/SSI beneficiaries need to make an informed choice about work and benefits for a successful transition to work and increased job retention.

Coordination with the State Agency Responsible for Providing Mental Health Services

In California, the State agency responsible for administering state and federal funding to county mental health services providers is DHCS. The CDOR developed a MOU with DHCS to establish a framework for collaboration between CDOR and DHCS to provide local technical assistance and support to strengthen existing CDOR Mental Health Cooperative Programs or to develop new patterns of VR services available to individuals living with significant mental health disabilities. The MOU expired in May 2021. The CDOR has initiated enhanced collaborative efforts with DHCS to meet the intent of the previous MOU, with the goal of ensuring that consumers have access to a comprehensive, coordinated, and quality service delivery system.

Disability Related Services

The CDOR has Interagency Agreements with the following state and local government entities for disability related services. The Agreements further the mission of CDOR toward the employment, independence, and equal access for individuals with disabilities. The agreements provide physical, digital and communication accessibility expertise for state government entities, businesses, and consumers, guidance to public organizations and businesses on their responsibilities and the requirements of accessibility for persons with disabilities, and specific information and links on the major laws, regulations, resources, and referrals regarding disability access and rights in California for public entities, citizens, employers, businesses, and other interested persons.

Document remediation

- California Workforce Development Board

Program access

- California Secretary of State – polling places, voting centers, voting systems
- California State Lottery – retailers

Document accessibility training

- Department of Technology
- Department of General Services
- State Controllers' Office
- Office of Environmental Health Hazard Assessment
- California Energy Commission
- Air Resources Board
- Department of Transportation
- Franchise Tax Board
- Department of Conservation
- Department of Industrial Relations
- California State Teacher's Retirement System
- Department of Fish and Wildlife
- California Workforce Development Board
- Employment Development Department

2. STATE PROGRAMS CARRIED OUT UNDER SECTION 4 OF THE ASSISTIVE TECHNOLOGY ACT OF 1998;

The CDOR is the designated state entity for provision of the Assistive Technology (AT) Act services and, as such, does not require additional agreements to coordinate AT Act and VR services. For additional information on State programs carried out under section 4 of the Assistive Technology Act, refer to the response for Description (o) – State's Strategies, specifically the information under the following header: "How a broad range of Assistive Technology services and assistive technology devices will be provided to individuals with disabilities at each stage of the rehabilitation process; and on a statewide basis."

The state of California offers low-interest, guaranteed loans to finance AT or modified transportation through the Assistive Technology and Modified Transportation Loan Guarantee Program (LGP). The CDOR LGP has been inactive since 2014 when the prior financial lending partner ended their agreement with the CDOR. The AT Act / AT Hub grant concluded its previous 3-year cycle on June 30, 2018 and CDOR completed a Request for Application for a new 3-year cycle beginning July 1, 2018 and will conclude on September 30, 2021. The AT grant was finalized and executed in October 2018. The CDOR is currently working with the AT grantee to plan the next steps with identifying key financial partners to reinstate the LGP as well as begin the AT Lease to Own Program.

3. PROGRAMS CARRIED OUT BY THE UNDER SECRETARY FOR RURAL DEVELOPMENT OF THE DEPARTMENT OF AGRICULTURE;

U.S. Department of Agriculture

The CDOR is not a part of an interagency cooperation on the utilization of services and facilities of the programs carried out by the Undersecretary for Rural Development of the U.S. Department of Agriculture. However, CDOR field offices in rural areas do collaborate with local farm worker programs, such as CalAgrAbility, to coordinate and deliver services to farmworkers with disabilities.

4. NON-EDUCATIONAL AGENCIES SERVING OUT-OF-SCHOOL YOUTH; AND

The CDOR serves out–of–school youth through multiple venues and methods. The CDOR Districts provide unique types of programs and services for youth and adults with disabilities. The majority of programs are with educational agencies (short or long-term training or educational programs). The CDOR Districts have strong working relationships with the local regional centers that serve youth and adults with intellectual disabilities and developmental disabilities. Similarly, CDOR Districts also have established working relationships with local county mental health and county welfare programs that also serve youth and adults with psychiatric disabilities. Additionally, some CDOR Districts have also formed connections with foster youth programs. The CDOR has established four third-party contractors to provide vocational services for out of school youth with behavioral health disabilities.

The CDOR developed a new mental health cooperative program in Ventura County. It went into effect early July and is scheduled for renewal in July 2022. The contract will serve 200 youth with psychiatric diagnosis.

The CDOR built upon existing relationships with the CDE to support information and referral services to out-of-school foster youth with disabilities, particularly those that suffer the traumatic effects of displacement from family and schools and multiple placements in foster care. In particular, CDOR initiated contact with a key entity within CDE titled, "Foster Youth Services Parent/Family and Community" that helps connect foster youth to services that include counseling, tutoring, mentoring, vocational training, training for independent living, and other related services. The CDOR intends to obtain and disseminate the contact information of local county CDE foster youth services coordinators to the CDOR districts to support local relationships and increase awareness about CDOR services in addition to sharing information about services available to foster youth through Foster Youth Services Coordinating (FYSC) Programs.

In late 2018, California passed Assembly Bill (AB) 2083 intending to align public programs to better meet the needs and serve children and youth in foster care who have experienced extreme trauma. AB 2083 requires that each county develop and implement an MOU setting forth roles and responsibilities of agencies and other entities that serve children and youth in foster care.

The CDOR participates in State level interagency planning efforts through the Children and Youth System of Care State Technical Assistance team with DHCS, DSS, California Department of Developmental Services (DDS) and CDE. CDOR continues to work in partnership with the State technical assistance team to support ongoing planning efforts to AB 2083 implementation. Resource development and technical assistance activities include the development of system profiles that list the services offered by systems that serve children and youth in foster care, the development of monthly technical assistance webinars, and presentations to system partners on CDOR program and services. The CDOR Regional Directors continue to participate in the county MOUs with system partners to bring forward information about CDOR career services for youth with disabilities in foster care and improve CDOR involvement at the local level.

5. STATE USE CONTRACTING PROGRAMS.

Refer to the response for Description (c)(1) – Cooperative Agreements with Agencies Not Carrying Out Activities Under the Statewide Workforce Development System for information on

State use contracting programs (particularly with the California Department of General Services).

D. COORDINATION WITH EDUCATION OFFICIALS

1. THE DESIGNATED STATE UNIT'S PLANS, POLICIES, AND PROCEDURES FOR COORDINATION WITH EDUCATION OFFICIALS TO FACILITATE THE TRANSITION OF STUDENTS WITH DISABILITIES FROM SCHOOL TO THE RECEIPT OF VR SERVICES, INCLUDING PRE-EMPLOYMENT TRANSITION SERVICES, AS WELL AS PROCEDURES FOR THE TIMELY DEVELOPMENT AND APPROVAL OF INDIVIDUALIZED PLANS FOR EMPLOYMENT FOR THE STUDENTS

Coordination with Education Officials

The CDOR ensures coordination with education officials at the local, regional, and statewide level through a variety of mechanisms, as described below. At the local level, CDOR has established cooperative agreements as described in Description B and has established a list of all California secondary schools and assigned a CDOR staff liaison to each secondary school to ensure VR and CDOR Student Services (pre-employment transition services) are made available, particularly those that do not have a cooperative agreement. The CDOR also provides training and technical assistance at the local and regional level to education officials on VR and pre-employment transition services.

The CDOR coordinates services through an interagency agreement with CDE as described in response to Description d (2)(A). The CDOR additionally coordinates with the Western Educational Corporation to encourage collaboration with Learn4Life Charter Schools doing business in California.

Consultation, Technical Assistance and Community of Practice

The CDOR provides consultation and technical assistance to support state and local agencies in planning for the transition of students with disabilities, including the provision of CDOR Student Services. Consistent with Section 56026 of the California Education Code and the maximum age for the receipt of special education services under this section, CDOR has expanded the uppermost age range for a student with a disability to be eligible or potentially eligible for CDOR Student Services to ages 16 through 22, or until matriculation from high school. Students who are potentially eligible can access CDOR Student Services by requesting a Student Services Plan. The CDOR facilitates the coordination of referrals of students from LEAs and other partners and confirms that the individual meets the definition of a "student with a disability. The CDOR further facilitates the informed choice discussion and identify expected CDOR Student Services to be provided to those who are potentially eligible. It ensures that the specific activities provided for the student are based on the needs and interests of the student.

Locally, each CDOR District has liaison staff to provide outreach, consultation, and technical assistance to LEAs seeking information on CDOR Student Services and VR services for students with disabilities. In addition, CDOR participates in the Community of Practice, which is supported by the National Association of Special Education Administrators and has created a shared work website for programs that support transition practices for students with disabilities. The Community of Practice leadership team includes representatives from CDOR, CDE, DDS, California Department of Social Services, EDD, SILC, educators, and parents who all share the goal of providing a seamless delivery of transition services to students with disabilities that lead to positive post school outcomes.

Regional Training and Technical Assistance Curriculum

In keeping with the goal of collaboration to support transitioning students with disabilities, CDOR and CDE collaboratively fund and provide a core series of regional training and technical

assistance curriculum to local CDOR and LEA staff and partners. Expert consultants provide training on topics related to CDOR Student Services and vocational services and supports leading to employment for students and youth with disabilities. The trainings include topics such as: employment preparation, job development and placement; transition–age youth; and benefits planning and management. These trainings help support the further success of CDOR consumers who are students with disabilities in securing and maintaining employment. Trainings are provided, as mutually requested by CDOR and the LEA.

Approximately 20 trainings are provided annually.

Collaborative Team Process

In the coordination of goals, objectives, and services for transitioning students with disabilities, CDOR and LEAs are encouraged to use a collaborative team process to develop the transition services section of the Individualized Education Program (IEP) for students determined eligible for VR services. This process should include the involvement of the student, family, representatives of the LEA, CDOR staff when invited, and other service providers, as appropriate.

The CDOR and CDE's specific responsibilities are defined in the Interagency Agreement by each agency's applicable rules and regulations. The LEA is identified as the lead agency responsible for providing transition services by qualified personnel to students with disabilities to the point of exit from school. In planning for transition, the school should inform the parents and the student with a disability no later than age 16 about CDOR services and facilitate the referral process.

When invited, CDOR staff attend IEP meetings to actively participate in the planning and development of CDOR Student Services and transition services for the individual student.

For CDOR, a student's IPE must be coordinated with the IEP or 504 services, as applicable, for that individual in terms of the goals, objectives, and services identified in the education program.

Determining Eligibility and Individualized Plan for Employment Development

The CDOR is responsible for determining eligibility for VR services needed to prepare for or obtain employment and is designated as the lead agency responsible for providing VR services by qualified personnel to students with disabilities meeting eligibility and Order of Selection requirements, as identified in the response for Description (m) – Order of Selection. The CDOR is providing CDOR Student Services to eligible and potentially eligible students with disabilities. In addition, and where appropriate, when a student with a disability is referred to CDOR for VR services, is determined eligible (within 60-days from the date of application) and is able to be served under an Order of Selection, CDOR develops the consumer's IPE. The IPE is developed within 90 days from the date of eligibility determination or by an agreed–upon extension date, and before leaving the school setting. The CDOR is responsible for providing and paying for the transition services, including CDOR Student Services, agreed upon in the IPE while the student with a disability is still in high school and continuing for the period the consumer is participating in the VR program.

Individualized Education Program or Individualized Plan for Employment Responsibilities

The CDOR and the CDE's responsibilities include the provision of services outlined and required by the IEP or IPE. When developing these plans, both agencies work to ensure duplication of services does not occur. Where responsibilities overlap, the primary responsibility for specific services rests with the most appropriate agency, as determined by the consumer's present status and when an agency is legally obligated and funded to provide that service. When a

service could be provided by either agency, CDOR and LEAs use the following criteria to determine and assign the financial roles and responsibilities of each agency for the provision of the service:

- Determine the purpose of the service - Is it related more to an employment outcome or education?
- Determine if the service is customary - Is the service one that the LEA customarily provides under part B of the Individuals with Disabilities Education Act (IDEA)?
- Determine the student's eligibility for the service - Is the student with a disability eligible for transition services under the IDEA?

The local agency (LEA, SELPA, or other entity) that develops the eligible student's IEP is responsible for paying for the agreed upon transition services required to be provided under the IDEA. The CDOR is responsible for providing and paying for the VR services, including CDOR Student Services, included in the consumer's agreed upon IPE for the period the consumer is in high school and continues to participate in the VR program.

Outreach

The CDOR conducts outreach through third party agreement partners. To do so, CDOR implements procedures for enhancing outreach and identification of students with disabilities in need of transition services. The outreach by VR counselors includes a description of the VR program, eligibility requirements, application procedures and scope of services that may be provided to eligible individuals. The CDOR provides local presentations and informational literature to LEAs, educators, student associations, and parents about CDOR eligibility and program services.

Additionally, CDOR assigns liaison VR Counselors to many secondary schools as a single point of contact for Special Education departments. Each liaison assists in the identification of local coordination activities between CDOR and the LEA and is responsible for annually reviewing the Interagency Agreement with designated LEA staff. The CDOR will continue to provide outreach and information to high schools about available VR services.

Collaboration with Partners

The CDOR communicates the value and benefits of VR services by reaching out to organizations that serve and represent students with disabilities, including parent resource centers, Independent Living Centers, Regional Centers, and organizations that serve youth with disabilities that are blind or visually impaired or deaf or hard of hearing.

Cooperative Programs Annual Meetings

The CDOR Cooperative Programs Section has implemented annual in-person meetings by cooperative program type. These meetings have provided an opportunity for CDOR field staff, cooperative programs and stakeholders the opportunity to engage in reciprocal conversation, sharing of ideas and communication on new policy, emerging service strategies, best practices and participant success. By conducting these meetings in the community, it allows for greater participation of CDOR and cooperative program staff that enhances cooperative program CDOR Student Services and vocational service delivery.

CDOR Student Services

The CDOR continues to engage in the following activities to coordinate with schools and provide CDOR Student Services:

- Developed and published a "Services to Youth" Webpage on the CDOR public-facing website in January 2018.

- Established and maintain a CDOR School Liaisons to secondary schools in August 2017.
- Communicated and will continue to communicate the statewide availability of CDOR Student Services with SELPA Directors and the Advisory Commission on Special Education.
- Outreached and will continue to outreach to schools and closer coordination between VR and LEA staff that do not currently have a Transition Partnership Program cooperative agreement.
- Expand transition services beyond school to work to include school to postsecondary training transitions.
- Provide information about the transition from school to work at an earlier age to eligible and potentially eligible students with disabilities.
- Provide work incentives education and planning services to students as well as parents and guardians of students with disabilities.
- Provide specialized training and increase awareness for VR staff and service providers on the unique needs of students with disabilities.

In addition, CDOR utilizes a variety of methods to ensure the provision of CDOR Student Services to students with disabilities:

- Job Exploration Counseling: This service is provided by CDOR field team members. It is also provided to some students with disabilities through TPP third-party cooperative agreements and through purchased services provided through other contracts or fee-for-service arrangements through LEAs, CRPs, or other providers.
- Work-Based Learning Experiences: CDOR VR team members arrange for on-the-job trainings, internships, apprenticeships, work experiences, and other work-based learning experiences for students with disabilities through direct interaction with businesses, TPP third- party cooperative agreements, and through vocational services provided through other contracts or fee-for-service arrangements through LEAs or CRPs.
- Counseling on Postsecondary Education Opportunities: This service is provided primarily by CDOR VR team members. Team members may also arrange for the provision of this service through contracts or fee-for-service arrangements through LEAs, CRPs, or other providers.
- Workplace Readiness Training: CDOR VR team members provide training on workplace readiness skills, including soft skills, financial literacy, independent living skills, and resume development, or arrange for training through TPP third-party cooperative agreements as well as other contracts or fee-for-service arrangements through LEAs, CRPs, or other providers. As part of the financial literacy component, CDOR Work Incentives Planners provide limited Work Incentives Planning services to students who are Supplemental Security Income or Social Security Disability Insurance recipients who need support and information regarding the impact of paid work experience on their benefits.
- Instruction in Self-Advocacy: The CDOR VR team members provide training on self-advocacy. It is also provided to some students with disabilities through TPP third-party cooperative agreements as well as through other contracts or fee-for-service arrangements.

Activities that support CDOR Student Services methods above include the following:

- The TPP contract services have been revised to emphasize the provision of CDOR Student Services.
- The CDOR developed new CRP work experience services, in which work experiences are arranged by CRPs across the state that serve as the employers of record.
- The CDOR established and expanded contracted work experience opportunities through WE Can Work contracts, in which LEAs serve as the employer of record.
- The CDOR will continue to establish other work opportunities in collaboration with the local America's Job Center of California (AJCC).
- The CDOR will continue the Summer Training and Work Experience Program for Students (STEPS), as funding permits, in collaboration with local workforce boards to provide work experience job training to that is aligned with the employment needs of business partners.
- The CDOR will continue to develop additional work opportunities for students with disabilities on an ongoing basis by working directly with businesses and establishing the Community College Foundation as the employer of record.
- The CDOR will additionally prioritize the development of a fee-for- service option for self-advocacy training.

2. INFORMATION ON THE FORMAL INTERAGENCY AGREEMENT WITH THE STATE EDUCATIONAL AGENCY WITH RESPECT TO:

A. CONSULTATION AND TECHNICAL ASSISTANCE TO ASSIST EDUCATIONAL AGENCIES IN PLANNING FOR THE TRANSITION OF STUDENTS WITH DISABILITIES FROM SCHOOL TO POST-SCHOOL ACTIVITIES, INCLUDING VR SERVICES;

1. **Consultation and technical assistance to assist educational agencies in planning for the transition of students with disabilities from school to post-school activities, including VR services;**

Interagency Agreement with the California Department of Education

Under the WIOA, State Educational Agencies (SEA) and VR agencies must plan and coordinate transition services, as well as pre-employment transition services (CDOR Student Services) for students with disabilities through a formal interagency agreement. In October 2018, CDOR signed an updated interagency agreement with the CDE to facilitate collaboration and shared responsibilities to increase opportunities for successful transition to adult life and employment for all students with disabilities. The VR services may be provided to students with disabilities and youth with disabilities; CDOR Student Services may only be provided to students with disabilities.

The purpose of the agreement is to create a coordinated system of educational and VR services, including CDOR Student Services, for students with disabilities to facilitate a smooth transition from secondary education to postsecondary employment-related activities and competitive integrated employment. For the purposes of this agreement, interagency cooperation and collaboration for transition planning and services will be focused on students with disabilities who are enrolled in secondary school programs and are potentially eligible or eligible for services from CDOR. This includes students with disabilities who are served under the IDEA, regardless of where services are provided, and students with disabilities served in general secondary instructional programs and who are not served under IDEA.

1. **Consultation and Technical Assistance**

The CDOR will provide consultation and technical assistance to assist LEAs in planning for the transition of students with disabilities from school to post-school activities, including CDOR Student Services and other VR services. Technical assistance may be provided through teleconference calls, in-person presentations and meetings, or through informational material.

The CDE will provide CDOR with informational material for CDOR staff on mandated secondary transition planning under IDEA for students who have an IEP.

Additionally, statewide and local joint trainings with topics addressing CDOR Student Services and transition services will be made available to special education teachers, administrators, parents, and students by CDOR and CDE. Other training opportunities will be presented to agencies (e.g., County Mental Health programs, AJCCs, EDD, and DDS) that could individually or collectively share in the responsibility for providing transition- related services to youth and students with disabilities.

The CDOR has established a core series of training curriculum designed for local CDOR and LEA staff. Expert consultants in their respective fields provide training modules that may include:

- CDOR Student Services – Workplace Readiness Training
- CDOR Student Services – Instruction in Self Advocacy
- CDOR Student Services – Work-Based Learning Experiences
- CDOR Student Services – Job Exploration Counseling
- Job Development, Placement and Retention
- Transition Age Youth
- Collaboration and Building Partnerships for Successful Employment
- Diversity and Cultural Competency
- Person Centered Planning
- Serving Rural Communities
- Individuals with behavioral health disabilities and Transition Services
- Individuals with ID/DD and Transition Services

2. **Transition and CDOR Student Services Planning**

Collaborative Transition Planning and Development for Individualized Program Plans – IEP and IPE

A student's IEP will include appropriate measurable postsecondary goals based upon age-appropriate transition assessments related to training, education, employment, and, where appropriate, independent living skills and the transition services (including courses of study) needed to assist the student in reaching those goals.

The CDE will encourage LEAs to invite CDOR staff to IEP meetings and other team meetings, to the extent appropriate and with the consent of the parent or adult child, so CDOR can provide information, technical assistance, and information and referral as needed for eligible or potentially eligible students with disabilities.

The CDOR staff will attend IEP meetings, when invited, to actively participate in the planning and development of CDOR Student Services and transition services for the individual student. For each eligible secondary student with a disability who applies for VR services, CDOR will

develop an IPE before the student leaves the school system or within 90 days of eligibility determination, whichever occurs first.

The LEA and CDOR will use a collaborative team process to develop the transition services section of the IEP and the IPE for the transitioning student.

3. **Outreach**

Procedures for Outreach and Identification of Students with Disabilities

To enhance outreach and identification of students with disabilities that need CDOR Student Services and transition services by VR and education, local CDOR districts and LEAs will work together to develop policies and/ or procedures to ensure access to these services. The CDOR outreach procedures to students will include sharing information on the VR program, eligibility requirements, application procedures, and the scope of services that may be provided to eligible individuals.

4. **Coordination**

State Level Coordination

The CDOR and CDE are responsible for providing leadership and monitoring to local CDOR offices and LEAs, respectively, to facilitate the development of cooperative programs for secondary students, memorandums of understanding, and identification of students with disabilities who are either potentially eligible or eligible for the VR program. The CDOR and CDE staff will work cooperatively with other state programs and agencies to ensure that CDOR students and consumers have access to the resources available through the workforce development system.

State and local staffs from each agency will work together to plan and implement evaluation activities, including individual accountability measures, for shared students/consumers. These activities should address program effectiveness, consumer satisfaction, longitudinal outcomes, cooperative research and pilot projects, and other joint efforts to document and improve the effectiveness of transition services.

Local Level Coordination

Each local administrator, or designee, will be responsible for the coordination of transition-related activities both within their own agency and with other agencies. This will serve a variety of purposes, including, but not limited to coordination of resource information, outreach, program information dissemination, research, and evaluation, including student follow-up studies and, facilitating annual meetings of interagency personnel who serve secondary students with disabilities for the provision of CDOR Student Services and transition services.

The LEAs and CDOR districts will utilize the following resources to assist in local coordination activities:

- School Contact List - The CDOR has developed a school contact list to identify school liaisons for each secondary school district in California. The school contact list consists of over 500 secondary school districts. It serves a variety of purposes, such as the coordination of resource information, outreach, and program information dissemination.

- Memorandums of Understanding (MOUs) - The CDOR and CDE recommend and encourage the development of local MOUs between CDOR and LEA. These MOUs will serve to facilitate and coordinate CDOR Student Services and transition services for secondary students with disabilities. State technical assistance will be provided to form such agreements. MOUs are also encouraged between the CDOR and Charter Schools.

The CDOR developed an MOU template to encourage collaboration with Learn4Life Charter Schools. Through this MOU, the parties define participating sites and how they will create a coordinated system of education and VR, including referrals for services for students with disabilities.

- LPAs - Collaborations may also include LPAs encouraged by CDE, CDOR, and DDS as an initiative of the CIE Blueprint to provide opportunities to students with intellectual disabilities and developmental disabilities.

MOUs with LEAs

The CDOR established partnerships between several LEAs and CDOR districts to initiate a local MOU. The CDOR shared with LEAs the CDOR/CDE Interagency Agreement and Appendix A, as well as three newly developed resources: the Collaboration Worksheet, CDOR School Contact List, and a CDOR Student Services flyer. In particular, the departments created the Collaboration Worksheet to complement Appendix A from the Interagency Agreement. It aims to support the development of strategies that will work best in the LEA and CDOR district. Topics include but are not limited to referral to CDOR Student Services, student access, and other key processes – understanding that different areas will have different resources and needs.

LEA-CDOR Local Interagency Agreement Template

The CDOR and CDE shared with LEAs Appendix A of the Interagency Agreement to be used as a template for developing local agreements. The LEAs and CDOR districts will use this template to help facilitate the integration and coordination of transition services and CDOR Student Services for students with disabilities who are enrolled in secondary education and are eligible, or potentially eligible, to receive VR services. Specifically, the intent of the agreement is to:

- Define the responsibilities of LEAs and CDOR districts.
- Provide for efficient and effective utilization of resources.
- Minimize duplication.
- Provide a foundation for continuous, effective working relationships between LEAs and CDOR districts.

Each local administrator, or designee, will be responsible for the coordination of transition-related activities both within their own agency and with other agencies.

Refer to Description (d)(1) – Coordination with Education Officials, specifically the paragraphs titled "Consultation, Technical Assistance and Community of Practice" and "Regional Training and Technical Assistance Curriculum".

B. TRANSITION PLANNING BY PERSONNEL OF THE DESIGNATED STATE AGENCY AND EDUCATIONAL AGENCY THAT FACILITATES THE DEVELOPMENT AND IMPLEMENTATION OF THEIR INDIVIDUALIZED EDUCATION PROGRAMS;

Refer to Description (d)(1) – Coordination with Education Officials, specifically the paragraph titled "Collaborative Team Process".

C. ROLES AND RESPONSIBILITIES, INCLUDING FINANCIAL RESPONSIBILITIES, OF EACH AGENCY, INCLUDING PROVISIONS FOR DETERMINING STATE LEAD AGENCIES AND QUALIFIED PERSONNEL RESPONSIBLE FOR TRANSITION SERVICES;

Refer to Description (d)(1) – Coordination with Education Officials, specifically the paragraphs titled "Collaborative Team Process" and "Individualized Education Program or Individualized Plan for Employment Responsibilities".

D. PROCEDURES FOR OUTREACH TO AND IDENTIFICATION OF STUDENTS WITH DISABILITIES WHO NEED TRANSITION SERVICES.

Refer to Description (d)(1) – Coordination with Education Officials, specifically the paragraph titled "Outreach" for additional information on CDOR's outreach efforts.

E. COOPERATIVE AGREEMENTS WITH PRIVATE NONPROFIT ORGANIZATIONS

Cooperative Agreements with Private Nonprofit Organizations.

The CDOR develops federally–required cooperative agreements with private non–profit organizations consistent with California State Contracting Rules, CDOR's regulation in Title 9 of the California Code of Regulations, and internal policy and procedures for the establishment, development, or improvement of CRPs. The CDOR pays CRPs through fee–for–service or contractual agreements to deliver authorized assessment, training, employment, and specialized support services provided to CDOR applicants or consumers.

Fee–for–Services

Fee–for–services are paid to approved vendors per CDOR's Uniform Fee Structure for CRP providers. The Uniform Fee Structure applies only to those CRPs in a fee–for–service relationship with CDOR. The Uniform Fee Structure does not apply to services provided under a cooperative program or case service contract as described in the response for Description (b)(1) Request for Waiver of Statewideness. The types of services provided include:

- Assessment Services – improve a consumer's outcome by identifying specific barriers to employment and recommendations to eliminate those barriers.
- Training Services – enhance a consumer's employability by providing necessary interactions that remove employment barriers, provide for specific occupational training, or develop appropriate personal and work behaviors, as outlined in a rehabilitation plan.
- Job–Related Services – assist a consumer, in an organized planned manner, to prepare for, obtain, and retain employment, and includes supported employment services.
- Support Services – provides direct services such as independent living skills training and AT assessments that enhance independence and employability for CDOR consumers.
- CDOR Student Services – provide Pre-Employment Transition Services to students with disabilities through a work experience opportunity.
- Business Based Services – create opportunities for CDOR to support consumer participation in new and innovative programs that meet both individual preferences as well as fulfill industry demand.
- Customized Employment – determine the strengths, needs, and interests of an individual with a significant disability and develop an employment opportunity designed to meet both the specific abilities of the individual and the needs of the business.

As an action item in California's CIE Blueprint, CDOR collaborated with DDS and CDE to develop a service delivery system change task force. The key entities in addition to the three departments include the Association of Regional Center Agencies, representatives from regional center and WorkAbility I partners and a Family Empowerment Center. The purpose of the task force is to provide targeted technical assistance and training to LPAs for the provision of services to individuals with ID/DD, including coordination of supported employment services and extended services to youth with the most significant disabilities.

The task force's efforts include making available training and technical assistance that may impact programs and services such as:

- CDE funded transition services
- CDOR funded Student Services
- DDS funded day programs
- DDS funded work activity programs
- CDOR and DDS funded supported employment programs

New or Expanded VR Services

The need for new services or expansion of VR services by a CRP may be directly identified by CDOR's District, through the needs assessment process identified in Description (j) – Statewide Assessment, or by individual requests by consumers. When a needed VR service is identified for a consumer, CDOR will first seek services from current CDOR certified CRPs. In establishing a new vendor, or a new or added service, CDOR staff considers departmental priorities using the following criteria: there is an identified need for the service, and a sufficient number of CDOR applicants and consumers exist to sustain the service; there are no other providers; current providers or cooperative partners cannot fill the need; and, the new service or vendor will fill a service gap for the unserved or underserved population.

The CDOR is establishing an Adult Work Experience service to be implemented statewide which allows participants the opportunity to explore competitive integrated work experiences in a variety of real time work settings. There are currently 17 approved vendors providing the service in various parts of the State. Increased expansion of the service is expected throughout 2022.

The CDOR continues to focus on business engagement efforts to partner with CRPs or other providers with connections to businesses seeking to hire individuals with a disability. The CDOR's business-based services program creates opportunities to bring on new and innovative programs whose outcomes are analyzed to better inform the department on the best ways to serve consumers.

CDOR Community Resources Development Section

The CDOR's Community Resources Development (CRD) section is responsible for the vendorization and certification functions of CRPs. All new CRPs go through a vendorization process. Further, any new or expanded services beyond those currently approved and offered by a current vendor is subject to the approval procedures in place at the time of the submission of the request. Certain vendors or service categories may require CDOR executive level approval. Once vendorized to provide VR services, each CRP is formally notified of the approved VR service type(s), along with the corresponding CDOR approved standardized fee rate(s) established in 2009 and increased in 2019.

Case Service Contracts

When CDOR identifies a need for VR services to be provided by CRPs to consumers served through local public agency cooperative agreements identified in the response for Description (b) – Request for Waiver of Statewideness, CDOR's Cooperative Programs Section assists districts and CRPs in developing case service contracts. These contracts are negotiated between CDOR and the CRPs to indicate the specific VR services, the number of consumers to be served, expected contract outcomes, and the costs needed to provide these services to consumers. Currently, the majority of these contracts are developed to provide VR services to consumers participating in the mental health cooperative agreements.

Certification, Review and Technical Assistance

All CRPs are required to maintain their certification, and those providing work–related programs are required to be accredited by the Commission on Accreditation of Rehabilitation Facilities. The CDOR may waive the accreditation requirements if a CRP's annual service expenditures are at or below $50,000 for three prior consecutive years. The CDOR's CRD Section reviews that CRPs are consistent with CDOR Title 9 Regulations to assure the quality of services, as well as the safety of consumers, and identify any needed improvements. For CRPs associated with cooperative agreements, CDOR's Cooperative Programs Section will also perform program reviews to evaluate their effectiveness in meeting the contract VR service objectives and identify any needed improvements. In addition, CDOR's CRD Section and the Cooperative Programs Section will provide technical assistance in response to CRPs' questions or concerns when needed or upon request.

Efforts to Ensure Quality Services and Resources

The CDOR strives to maintain regulatory compliance and advocates for consumer and vendor service quality. Several efforts are taking place to provide quality services and resources for consumers:

- The CDOR continues to implement strategies to reduce its reliance on ISPs and utilize CRPs as the primary and preferred providers of VR services to maximize the provision of higher quality services and ensure consumer safety.
- The CDOR's CRD Section continues to conduct comprehensive certification and site reviews of CRPs. The focus of the review process is maximizing employment outcomes for CDOR consumers.

F. ARRANGEMENTS AND COOPERATIVE AGREEMENTS FOR THE PROVISION OF SUPPORTED EMPLOYMENT SERVICES

The CDOR identifies and makes arrangements with private non–profit organizations, as identified in the response for Description (e) – Cooperative Agreements with Private Nonprofit Organizations, to provide Supported Employment services for individuals with the most significant disabilities, including youth with the most significant disabilities. The CDOR Supported Employment services additionally include extended services for youth with most significant disabilities for up to four year or age 25, whichever comes first.

The CDOR collaborates with entities including DDS, Regional Centers, CDE, LEAs, the California workforce development system, local county mental health agencies, CRPs, including Independent Living Centers, business partners, and other community partners to provide competitive integrated Supported Employment services to eligible individuals. The CDOR works with over 100 Supported Employment providers statewide with associated locations and satellite offices.

The CDOR, DDS, and CDE additionally are establishing LPAs consistent with the Competitive Integrated Employment: Blueprint for Change. The LPAs are intended to encourage the sharing of resources to support person-centered planning and pre- vocational services that may be provided prior to an individual's referral to CDOR for Supported Employment. As of October 2021, 57 LPAs have been submitted. Examples of LPA activities include, but are not limited to:

- The Tri Counties LPA created a universal referral process in which the core partners contact the individual and family to determine needs for work training, employment-related services and supports, secure "release of information" permission, determine which agencies/institutions should be included based on individual's needs, and complete a "Universal Referral Sheet", send Universal Referral Sheet to agencies,

institutions involved or potentially involved with the individual, contact potential staff members to identify a conference call or face-to-face meeting.

- The San Bernardino City LPA Collaborative is developing and implementing Career Technical Education (CTE) class offerings to enhance workplace skills for students with intellectual and developmental disabilities (ID/DD), i.e., foundational employment skills, self-determination, workplace technology etc. They are also participating in school district administrative meetings to collaborate about effective CTE class offerings for high school students.
- The Sonoma Napa LPA partners are further exploring the organizational structure within the LPA, to be functional within the local planning area, including development of subcommittees to focus on specific interests.

In California, CDOR and DDS utilize the hourly rates for Supported Employment job coaching, intake, placement, and retention services that are statutorily defined for DDS. The current rates were set in 2015 (Assembly Bill X2-1; Welfare and Institutions Code Section 4860) and increased again by DDS after surveying providers in 2016. Starting April 1, 2022, DDS will implement a rate increase for service providers that equals one quarter of the difference between current rates and the fully funded rate model for each provider. In subsequent years, rates will be adjusted based on a pre-determined schedule culminating in rates being uniform within service categories and adjusted for geographic cost differentials by 2025. The CDOR Supported Employment services begin after job placement and are for the purpose of maintaining and supporting an individual with a most significant disability in competitive integrated employment.

Sources of extended services vary depending on the individual's eligibility for other programs or availability of other resources and CDOR partners with other agencies, and employers for natural supports, to ensure supported employment consumers have a source of extended services.

The CDOR will provide extended services to youth with the most significant disabilities when other extended services are unavailable, as appropriate.

The following are examples of sources of extended services that are not provided by CDOR and are provided to eligible individuals regardless of age:

- Individuals with mental illness may be provided extended services by county mental health agencies, which may allocate Medi–Cal, Mental Health Services Act, or Short–Doyle funds as determined by each county. Short-Doyle funds are provided to local governments to establish and develop locally administered and controlled community mental health programs.
- Social Security Administration Work Incentives, such as Impairment Related Work Expense or an approved Plan for Achieving Self Support.
- Supported employment services provided under Veteran's Health Administration Compensated Work Therapy Program.

California state regulations do not allow TBI state match funds to be used for extended services. Consumers with a TBI that require extended services such as ongoing support needed to maintain Supported Employment, such as job coaching, can be served through additional resources at local Independent Living Centers and other TBI service providers support through state general funds.

Whenever possible, building natural supports at the workplace for consumers with Supported Employment needs is encouraged. Natural supports allow the strengthening of the relationship

between employer and consumer, supporting long-term successful outcomes and to develop opportunities for competitive integrated employment, to the greatest extent practicable.

Data Sharing Agreement

The DDS and CDOR entered into an MOU (also referred to as a Business Use Case Proposal (BUCP)). The primary purpose of this agreement is to assist the departments' coordinated efforts to conduct data analysis and support consumer experiences to individuals with ID/DD, including youth with the most significant disabilities. The data sharing agreement will help to foster person-centered planning through improved systems alignment between the two departments and maximize available state and federal funding to leverage the resources effectively for individuals with ID/DD. Generally, data sharing between DDS and CDOR enables effective administration of the departments' respective programs and supports consumers to achieve maximum independence in the community, including an employment outcome of competitive integrated employment. The agreement will help DDS and CDOR identify the individuals who will benefit from competitive integrated employment. This is in alignment with CalHHS priorities and goals and maximizes use of federal funds as available to provide vocational rehabilitation, habilitation, extended, and other services to assist with the provision of employment and associated or extended services to individuals with the most significant disabilities in the State, including youth with the most significant disabilities.

California Initiatives

California has enacted legislation and implemented statewide initiatives that have made an impact on the provision of Supported Employment services to individuals with ID/DD:

- The Lanterman Developmental Disabilities Services Act (Welfare and Institutions Code section 4500 et seq.) provides Californians with ID/DD the right to obtain services and supports to enable them to live a more independent life; this includes the funding for Supported Employment extended services. This Act is unique to California.
- Assembly Bill (AB) 287 (2009) established the Employment First Policy, which led to a standing Employment First Committee formed by the State Council on Developmental Disabilities. The bill expands employment opportunities for people with ID/DD and identifies best practices and incentives for increasing integrated employment and gainful employment opportunities for people with ID/DD. The CDOR is an active participant in the State Council on Developmental Disabilities' Employment First Committee to help with transition planning.
- AB 1041 (2013) established in statute California's Employment First policy. The policy was established to make services and supports available to enable persons with developmental disabilities to have similar everyday living to those persons without disabilities and to support the integration of persons with developmental disabilities into their community.
- Senate Bill (SB) 639 amended California Labor Code sections 1191 and 1191.5 to phase out subminimum wage employment and prohibit an employee with a disability from being paid less than the California minimum wage under state law starting January 1, 2025. Starting January 1, 2022, California will prohibit new special licenses from being issued. The bill requires the California State Council on Developmental Disabilities, in consultation with stakeholders and relevant state agencies, to develop a multi-year phaseout plan with stakeholder involvement by January 1, 2023. The bill also requires the State Council on Developmental Disabilities, by January 1, 2023, to publicly post the plan on its internet website and submit a report on its findings and plan to the Legislature for review. SB 639 is intended to afford all Californians, regardless of whether they have disabilities, with protections to ensure equal pay and treatment in

the workforce. SB 639 reinforces modern principles of equity in the California workforce by requiring all individuals, including individuals with ID/DD, to be paid at least the California minimum wage.

- California Competitive Integrated Employment: Blueprint for Change Employing Individuals with Intellectual Disabilities and Developmental Disabilities in California. Through June 2022, CDOR worked closely with CDE and DDS on the Competitive Integrated Employment Blueprint. The overarching goal of the Blueprint was to increase employment outcomes for adults and youth with intellectual disabilities and developmental disabilities. Some of the accomplishments from the Blueprint are listed below:
    - 1,051 individuals with ID/DD attained competitive integrated employment through CDOR services.
    - Expanded partnerships and cross-system collaborations by developing seven additional LPAs for a cumulative total of 57 LPAs.
    - Developed a Data Use Agreement between CDE and DOR, as a part of the two agencies' non-monetary Interagency Agreement.
    - Increased work opportunities in the community through the following career exploration and work experiences activities:
        - 22,809 students with ID/DD participated in paid work experience and unpaid community-based vocational education with CDE WorkAbility I.
        - 18 individuals with ID/DD participated in on-the-job training through CDOR.
    - Provided career counseling and information and referral (CC&IR) services to over 9,000 individuals working at subminimum wage, of which over 300 applied for CDOR services and 68 achieved competitive integrated employment between July 1, 2020, and June 30, 2021.
- CA Career Innovations (CCi): Work-Based Learning Model Demonstration. The CDOR partnered with San Diego State University, Interwork Institute to evaluate the effects and benefits of work-based learning experiences to prepare students with disabilities to enter postsecondary education and competitive integrated employment. The CCi enrolled 824 students with disabilities to participate in the project, including students with the most significant disabilities, ages 16 through 22. The CCi program ended on September 30, 2021, with a total of 84 percent of the participants successfully finding paid work experiences.
- Pathways to Success Project (PSP): The CDOR has partnered with San Diego State University, Interwork Institute to evaluate the effects and benefits in improving VR outcomes for eligible individuals with disabilities, including previously served VR participants to advance in high-demand, high-quality careers, such as science, technology, engineering, and math (STEM); to improve and maximize competitive integrated employment outcomes, economic self-sufficiency, independence, and inclusion; and to reduce reliance on public benefits. This project is funded by the RSA and will pilot a model of sector-based services, consistent with the larger workforce system, and focus on underrepresented communities, such as people with ID/DD, women, and people in racially and ethnically distinct communities.
- In July 2016, CDOR established the Achieving Community Employment (ACE) Team to provide CC&IR services. The ACE Counselors located in eight regions statewide provide CC&IR services to inform individuals working at subminimum wage (SMW) about and

encourage the exploration and achievement of competitive integrated employment. The participants also receive information about available employment resources and supportive services. As of October 2021, the CDOR ACE Team coordinates with 71 California employers holding 14(c) SMW certificates, including 66 CRPs, two Patient Worker programs, and one School Work Experience Program. The number of employers with 14(c) certificates has decreased from 150 in 2016 to 71 in 2021. The CDOR ACE Team has provided CC&IR services to over 9,000 unduplicated recipients earning subminimum wage or in segregated work settings, down from 19,669 in 2016. Between July 1, 2020, through June 30, 2021, 68 individuals who left subminimum wage employment achieved competitive integrated employment. The CDOR expects this downward trend to continue through 2024, particularly with the passage of California Senate Bill 639 in September 2021 eliminating payment of subminimum wages by January 1, 2025.

G. COORDINATION WITH EMPLOYERS

1. VR SERVICES; AND

Coordination with Employers. In regard to coordination with employers and VR services, CDOR provides this description through the "Services to Businesses" goals and objectives in Description (o)(1) – State's Strategies.

The CDOR continues to work with employers to identify competitive integrated employment and career opportunities to facilitate the provision of VR services for consumers. Some ways CDOR works with businesses include:

- Engaging the workforce development system and the business community via effective outreach, relationship, and partnership building.
- Maintaining regular CDOR participation at each of the 14 Regional Planning Units and on each local workforce development board.
- Exploring and informing CDOR counselors and consumers of local opportunities to obtain non-degree credentials, including certificates, industry certifications, apprenticeship certificates, and occupational licenses with CTE, workforce, and businesses to build an inclusive and skilled future workforce.
- Emphasizing and supporting increased earn-and-learn opportunities for consumers including on-the-job training, paid work experiences, internships, and apprenticeships with businesses.
- Identifying and providing early interventions to address potential employment barriers, such as providing work incentive planning support, workplace readiness training, self-advocacy training and work-based learning opportunities.
- Ensuring each CDOR Regional Director or Regional Business Specialist meets with local business leaders from identified in-demand sectors, as determined by their local Regional Planning Unit, to develop working partnerships or establish initiatives that support hiring and/or recruitment of individuals with disabilities.
- Accessing and utilizing labor market information (LMI), including, but not limited to, CalJOBS, World of Work Inventory, The Career Index Plus, Career Zone, and Careerinfo.net, to inform plans that help businesses meet their recruitment and talent needs.
- Informing business partners on hiring incentives and resources (e.g., Work Opportunity Tax Credit, Talent Acquisition Portal, Disability Awareness training, the AT network, and

CDOR Business Based Services) to support businesses employing, supporting, retaining, and promoting qualified talent with disabilities.

Some examples of how CDOR has partnered with businesses to promote competitive integrated employment and career experiences for consumers include:

- Participating and hosting events to build business partnerships and increase career opportunities for consumers.
- Forming statewide partnerships with businesses.
- Providing training to CDOR staff on working with businesses and developing job opportunities.
- Offering training to businesses. CDOR produced and posted videos of disability access, disability accommodations, or disability awareness trainings on YouTube. These video trainings are produced in collaboration with the California Workforce Association and can be found on CDOR's YouTube channel.
  https://www.youtube.com/user/DORCalifornia

2. TRANSITION SERVICES, INCLUDING PRE-EMPLOYMENT TRANSITION SERVICES, FOR STUDENTS AND YOUTH WITH DISABILITIES.

The CDOR dedicated 210 field staff, Qualified Rehabilitation Professionals and Service Coordinators, to provide CDOR Student Services to students with disabilities. These Student Services staff outreach to employers and contractors to make available work-based learning experiences and work-readiness training to students with disabilities through We Can Work, STEPS, and Foundation for California Community Colleges (FCCC) Paid Work Experience.

We Can Work (WCW)

The WCW job opportunities are administered through case service contracts between CDOR and LEAs. The purpose of these contracts is to afford students with disabilities an opportunity to participate in CDOR Student Services work-based learning experiences.

We Can Work is available to students with disabilities who are potentially eligible and eligible for VR services. Work-based learning experiences are provided primarily with community businesses that have been developed by the WCW contracts. The WCW job opportunities are offered through community employers that have been developed by the WCW contracts. Through WCW, students with disabilities have the opportunity to explore competitive integrated employment settings and work with the community employers on career exploration.

Summer Training and Work Experience Program for Students (STEPS)

STEPS is a contract between CDOR and the FCCC with assistance from the California Employment Training Panel. The FCCC in partnership with CDOR provides "Employer of Record" services to assist potentially eligible and eligible students with disabilities in obtaining valuable work experience. The FCCC only serves as the employer of record; it is not involved in job development activities. Job development may be conducted by a CRP, a cooperative programs partner, or CDOR staff.

The intent of the contract is to partner with local workforce boards supported by America's Job Center of California (commonly known as AJCC) to find students with disabilities employment opportunities throughout the state.

Additional information on CDOR's efforts to work with employers to provide competitive integrated employment and career exploration for students and youth with disabilities can be

found in goal three under the "Increasing the Quality and Quantity of Employment Outcomes" priority in Description (o)(1) – State's Strategies.

FCCC Paid Work Experience

The FCCC has been partnering with CDOR to provide paid work experience for students with disabilities to receive meaningful and transferable work experience in their local communities.

The FCCC traditional work experience is available to all students with disabilities with an open potentially eligible or VR case between the ages of 16 through 22 years old, consistent with Section 56026 of the California Education Code and the maximum age for the receipt of special education services under this section. This opportunity allows students the ability to work in local businesses, develop soft skills, obtain transferrable skills for their resumes, and explore various careers for future employment. Work experiences are minimum of 100 hours per student, are developed based on the students' interest and abilities, and are developed by local CDOR Student Services staff.

H. INTERAGENCY COOPERATION

1. THE STATE MEDICAID PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT;

Refer to Description (c)(1) – Cooperative Agreements with Agencies Not Carrying out Activities under the Statewide Workforce Development System, specifically the following paragraph:

California Department of Developmental Services: Individuals Eligible for Home and Community Based Waiver Programs

The CDOR has a formal agreement with DDS, California's State agency responsible for administering the Home and Community Based Services waiver for the State Medicaid plan under Title XIX of the Social Security Act (42 U.S.C. § 1396 et seq.). The CDOR and DDS continue to work together to overcome challenges in sharing individual client data across the two departments. One such effort of data sharing is the BUCP for individuals with ID/DD, referred to in Description (f).

The DDS has the primary responsibility to provide services and supports for individuals with ID/DD, including extended services for individuals ages 22 and older who have been determined to be eligible for home and community–based services under a Medicaid waiver, Medicaid State plan amendment, or other authority related to a State Medicaid program period.

Collaborative efforts to support community integration of individuals who are eligible for Home and Community Based Services waiver programs include CDOR district staff participation in person-centered planning meetings, when invited. The CDOR is supporting discussions with DDS for improved coordination of IEPs and Individual Program Plans for eligible individuals. The CDOR is also collaborating with DDS to support opportunities for competitive integrated employment through the CIE Blueprint as described in the response to description (f) - Arrangements and Cooperative Agreements for the Provision of Supported Employment Services.

2. THE STATE AGENCY RESPONSIBLE FOR PROVIDING SERVICES FOR INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES; AND

The CDOR addressed its collaboration with DDS, the agency responsible for the State Medicaid plan under Title XIX of the Social Security Act and the provision of services for individuals with ID/DD in the previous section to this description. The CDOR's cooperation with DDS is described throughout the State Plan, particularly in Description (f) – Arrangements and Cooperative Agreements for the Provision of Supported Employment Services.

3. THE STATE AGENCY RESPONSIBLE FOR PROVIDING MENTAL HEALTH SERVICES.

Refer to Description (c)(1) – Cooperative Agreements with Agencies Not Carrying out Activities under the Statewide Workforce Development System:

Coordination with the State Agency Responsible for Providing Mental Health Services

In California, the State agency responsible for administering state and federal funding to county mental health services providers is DHCS. The CDOR developed a Memorandum of Understanding with DHCS to establish a framework for collaboration between the two departments to provide local technical assistance and support in order to strengthen existing CDOR Mental Health Cooperative Programs or to develop new patterns of VR services available to individuals living with severe mental illness. The MOU expired in May 2021. The CDOR has initiated enhanced collaborative efforts with DHCS to meet the intent of the previous MOU, with the goal of ensuring that consumers have access to a comprehensive, coordinated, and quality service delivery system, which includes competitive integrated employment and, as appropriate, supported employment services.

The CDOR is also a member of the California Mental Health Planning Council, which evaluates the behavioral health system for accessible and effective care. It advocates for an accountable system of responsive services that are strength-based, recovery-oriented, culturally competent, and cost-effective.

I. COMPREHENSIVE SYSTEM OF PERSONNEL DEVELOPMENT; DATA SYSTEM ON PERSONNEL AND PERSONNEL DEVELOPMENT

1. SYSTEM ON PERSONNEL AND PERSONNEL DEVELOPMENT

A. QUALIFIED PERSONNEL NEEDS

I. THE NUMBER OF PERSONNEL WHO ARE EMPLOYED BY THE STATE AGENCY IN THE PROVISION OF VR SERVICES IN RELATION TO THE NUMBER OF INDIVIDUALS SERVED, BROKEN DOWN BY PERSONNEL CATEGORY;

The CDOR, in partnership with the SRC, develops and maintains a Comprehensive System of Personnel Development to ensure a sufficient workforce of qualified state rehabilitation personnel, including professionals and paraprofessionals, is in place for the timely and successful delivery of VR services to Californians with disabilities.

CDOR Position Title	Total Positions	Current Vacancies	Projected Vacancies Over the Next 5 Years	Ratio of Consumers per Staff Member*
Team Manager	105	15	38	976
Senior Vocational Rehabilitation Counselor (QRP)**	541	58	166	189
Regional Business Specialist	14	0	15	7,320
Business Specialist / Work Incentive Planner/ Services Coordinator	271	26	91	378
Case Support Staff	336	42	60	305

CDOR Position Title	Total Positions	Current Vacancies	Projected Vacancies Over the Next 5 Years	Ratio of Consumers per Staff Member*
Regional Director	14	3	4	7,320
District Administrator	14	0	4	7,320
Medical Consultant	3	0	2	34,160
Consulting Psychologists	5	2	1	20,496
Mobility Evaluation Specialist	1	1	0	82
Teacher, Orientation and Mobility for the Blind	6	0	2	11
Teacher, Typing and Braille	0	0	0	0
Teacher, Home Economics	1	0	0	64***
Counselor, Orientation Center for the Blind	3	1	0	21***
Vocational Instructor	2	1	1	32***
Physician and Surgeon	0	0	0	0
Optometric Consultant	0	0	0	0

*Ratio is based on total number of positions at the end of FFY 2021 and the total number of consumers served during FFY 2021 (102,480).

** The number of SVRC/QRPs includes only those positions that meet the qualifications specified in section (3) Personnel Standards.

***Ratio based on 64 individuals served by CDOR's Orientation Center for the Blind during FFY 2021.

The CDOR has a comprehensive system for collecting, maintaining, and analyzing, on an annual basis, data on qualified personnel needs. Personnel position reports are created by CDOR Human Resources' (HR) position control, utilizing data collected from the State Controller's Office. The data reflecting current position allocations and position location is shared on a monthly basis with CDOR's field divisions. The CDOR's field division determines any changes in position allocation for their division and informs HR of any potential changes.

Vocational Rehabilitation Services Delivery

The VR Counselors are exclusively responsible for the following five functions: eligibility determination; priority of service; IPE approval and signature; IPE revisions or amendments;

and determination that a successful employment outcome has been achieved and the record of services can be closed.

Collectively, the VR Counselor, Service Coordinator, Business Specialist, Work Incentives Planner, and Case Support Staff focus on providing VR services necessary for consumers to prepare for, find, and retain employment. VR service delivery is focused on person-centered, whole person care via cross-agency collaboration and systems alignment.

The table below shows the positions, vacancies, projected vacancies, and ratio of consumers served per staff member for CDOR field division staff who provide VR services.

In April 2018, CDOR redirected 105 VR counselors and 105 Service Coordinators to work directly with eligible and potentially eligible students with disabilities. The VR Counselors and Service Coordinators provided CDOR Students Services to 29,562 students with disabilities in FFY 2019, including potentially eligible students with disabilities. In FFY 2022, the CDOR Student Services VR staff anticipates providing services to 30,000 potentially eligible students with disabilities.

During FFY 2021, CDOR actively provided VR services to 26,933 VR applicants and provided CDOR Student Services to 26,607 potentially eligible students with disabilities.

In FFY 2021, VR field staff provided services to an estimated 75,272 individuals with disabilities in open status.

Orientation Center for the Blind

The Orientation Center for the Blind is a CDOR owned and operated training facility that assists consumers who are visually impaired and blind to adjust to their vision loss and acquire the skills and tools necessary to pursue competitive integrated employment. A specialized staff of qualified teachers, trainers and rehabilitation professionals provides comprehensive training and experiences tailored to assist each participant to reach their full potential for independence. At no cost to CDOR consumers, training is provided in daily living skills including cooking, independent travel, Braille and communication, AT use, and the work readiness skills necessary for vocational success. Options for training include residential, individualized day programs, two-week skills assessments, or a combination of any of the above. The residential facility can support 36 participants at any given time.

Caseload Projections

Starting November 2, 2020, CDOR is operating under an Order of Selection, as identified in the response for Description (m) – Order of Selection, and is serving all three Priority Categories with no waiting lists. The CDOR has reviewed projected resources and projected costs for state fiscal year 2021-22, which started July 1, 2021, and ends June 30, 2022, as provided by California Code of Regulations, title 9, section 7052(a) and determined that projected resources are adequate to serve all individuals in Priority Category One, Priority Category Two, and Priority Category Three.

For FFYs 2022 through 2023, Vocational Rehabilitation Service Delivery (VRSD) teams will provide services to an estimated 80,000 individuals in open status annually.

II. THE NUMBER OF PERSONNEL CURRENTLY NEEDED BY THE STATE AGENCY TO PROVIDE VR SERVICES, BROKEN DOWN BY PERSONNEL CATEGORY; AND

Refer to Description (i) – Comprehensive System of Personnel Development; Data System on Personnel and Personnel Development (specifically (i)(1)(A)(i)).

III. PROJECTIONS OF THE NUMBER OF PERSONNEL, BROKEN DOWN BY PERSONNEL CATEGORY, WHO WILL BE NEEDED BY THE STATE AGENCY TO PROVIDE VR SERVICES IN 5 YEARS BASED ON PROJECTIONS OF THE NUMBER OF INDIVIDUALS TO BE SERVED,

INCLUDING INDIVIDUALS WITH SIGNIFICANT DISABILITIES, THE NUMBER OF PERSONNEL EXPECTED TO RETIRE OR LEAVE THE FIELD, AND OTHER RELEVANT FACTORS.

Refer to Description (i) – Comprehensive System of Personnel Development; Data System on Personnel and Personnel Development (specifically (i)(1)(A)(i)).

B. PERSONNEL DEVELOPMENT

I. A LIST OF THE INSTITUTIONS OF HIGHER EDUCATION IN THE STATE THAT ARE PREPARING VR PROFESSIONALS, BY TYPE OF PROGRAM;

Personnel Development of VR Counselors

The Council on Rehabilitation Education provides academic preparation for professional rehabilitation counseling positions and undergraduate programs in Rehabilitation and Disability Studies. The CDOR ensures effective systematic coordination with the Council on Rehabilitation Education–accredited programs by discussing, at least biannually, the progress of CDOR staff participating in the Master's in Rehabilitation Counseling programs.

Universities with Rehabilitation Counseling Programs

In California, there are five Council on Rehabilitation Education –accredited Master's Degree in Rehabilitation Counseling programs and one Council on Rehabilitation Education–accredited undergraduate Bachelors of Science Degree in Rehabilitation Services program through the following universities: CSU Fresno, CSU Los Angeles, CSU Sacramento, CSU San Bernardino, and San Diego State University. Only CSU Los Angeles offers a Bachelor's of Science Degree in Rehabilitation Services.

II. THE NUMBER OF STUDENTS ENROLLED AT EACH OF THOSE INSTITUTIONS, BROKEN DOWN BY TYPE OF PROGRAM; AND

The table below provides data for Academic Year 2020-2021 on the number of students enrolled in or graduated from a Council for Accreditation of Counseling and Related Educational Programs (CACREP) accredited Master's Degree program and the numbers of students sponsored in those programs by CDOR and, or, the Rehabilitation Services Administration (RSA).

University	Degree Program	Students Enrolled (academic year)	Graduates from the previous academic year
CSU Los Angeles	Master's	257 per year	100 per year (approximate)
CSU Fresno	Master's	25	100
CSU Sacramento	Master's	48	12
CSU San Bernardino	Master's	59	47
San Diego State University	Master's	95	135
Total		484	394

III. THE NUMBER OF STUDENTS WHO GRADUATED DURING THE PRIOR YEAR FROM EACH OF THOSE INSTITUTIONS WITH CERTIFICATION OR LICENSURE, OR WITH THE CREDENTIALS FOR CERTIFICATION OR LICENSURE, BROKEN DOWN BY THE PERSONNEL CATEGORY FOR

WHICH THEY HAVE RECEIVED, OR HAVE THE CREDENTIALS TO RECEIVE, CERTIFICATION OR LICENSURE.

Refer to Description (i) – Comprehensive System of Personnel Development; Data System on Personnel and Personnel Development (specifically (i)(1)(B)(ii)).

2. PLAN FOR RECRUITMENT, PREPARATION AND RETENTION OF QUALIFIED PERSONNEL

2015-2020 Workforce Strategic Plan

The CDOR developed a 2015-2020 Workforce Strategic Plan focused on hiring, developing, and retaining staff with the right skills and competencies to achieve the vision, mission, and goals of the department. The development of the Plan is a continuation of CDOR's 2012-2015 Recruitment and Retention Plan that documented the Human Resources Branch's ongoing collaborative activities with internal and external stakeholders.

The CDOR has completed five of the six initiatives were identified through the collaborative process: Recruitment Outreach and Marketing, Onboarding, Mentoring, Performance Management Enhancement and Leadership Development. The remaining initiative, Recognition Program will be completed in 2022. The initiatives are intended on recruiting and empowering employees through development opportunities, coaching and mentoring, knowledge sharing, recognizing achievements, and fostering a values-driven culture. The six initiatives are:

1. Recruitment Outreach and Marketing – Develop and implement an outreach and marketing strategy to establish CDOR as an employer of choice to attract high-performing diverse candidates. A recruitment committee was convened to address challenges in attracting, hiring, and retaining the Senior Vocational Rehabilitation Counselor, Qualified Rehabilitation Professional (QRP) Classification. Marketing strategies include developing new content to be used in brochures, posters, billboards, and a variety of online platforms. Outreach strategies include targeting university partnerships through campus recruiting events, classroom presentations, internships, and alumni engagement.

2. Onboarding Program – Develop an onboarding program for supervisors and managers to use with new staff to learn about a wide-cross section of the CDOR – its mission, core values, culture, program areas, resources, and overall expectations.

3. Performance Management Enhancement – Develop and implement a training framework to provide managers with increased knowledge and skills pertaining to talent management activities such as proactive recruitment and retention, conducting and supporting effective individual development plans, and productive employee relations.

4. Leadership Development – Develop a formal leadership development program that allows managers the opportunity to enhance their personal and professional development. The program will provide the department with an opportunity to grow and retain its high potential staff and support the transfer of knowledge as part of CDOR's succession planning efforts.

5. Recognition Program – Develop a program consisting of informal and formal recognition that reinforces the department's mission, values, and strategic objectives to help attract and retain high-performing staff.

6. Mentoring Program – Develop a mentoring program to provide educational and experiential opportunities for staff to enhance their personal and professional development.

The CDOR is in the process of revising the Workforce Strategic Plan for 2022 – 2023 to ensure the organization has the resources needed to meet its mission and strategic plan goals.

Current and Projected Needs for Qualified Personnel

To meet the current needs for qualified personnel, CDOR's Staff Development Unit will continue to collaborate with other CDOR sections to develop employee competencies, knowledge, skills, and abilities; provide staff retraining; and comply with mandatory training requirements. The Staff Development Unit will provide logistical support for internal and external training.

The CDOR plans to offer a variety of training to support current professional development needs including:

- Academies for VR Counselors, Service Coordinators, Business Specialists, and Office Technicians. These academies will increase the capacity of personnel to provide services to consumers and will also enhance existing knowledge of personnel duties.
- Quarterly knowledge–based trainings.
- Training on the medical aspects of disability.
- Continual training for VR Counselors.

To meet the projected needs of personnel, the Staff Development Unit will rely on a number of tools including CDOR's:

- Triennial Comprehensive Statewide Assessment
- Staff Development Unit Statewide Training Needs Assessment
- State and Strategic Plans
- Workforce Strategic Plan
- Employee Engagement Survey
- Blackboard Learning Management System

The Staff Development Unit will identify projected training needs through analysis of audit findings, program reviews, policy inquiries, and an evaluation of WIOA. The Unit will prioritize delivery of training regarding services to youth, use of LMI, and CDOR Student Services.

The Staff Development Unit will utilize Blackboard Learning Management System to track mandatory training, assign competency-based training, and coordinate external training requests for department personnel.

The Staff Development Unit will support continuing education by offering a variety of methods and topics including rehabilitation technology, documentation, case assessment and postsecondary education. The Staff Development Unit will also coordinate additional classes focusing on Section 508 compliance.

Higher Education Institutions and Professional Associations

The CDOR offers volunteer internships for VR students looking to gain experience and get a first–hand look at rehabilitation counseling at CDOR. The CDOR partners with the Council on Rehabilitation Education universities to conduct "How to Apply to the CDOR" workshops that help the Council on Rehabilitation Education university students navigate the civil service application process. The CDOR also partners with the Council on Rehabilitation Education universities and professional associations to promote CDOR career opportunities to their databases.

Personnel from Minority Backgrounds and Individuals with Disabilities

The CDOR is focused on developing a diverse workforce that incorporates disability awareness, etiquette, and inclusion best practices in service delivery and working with external stakeholders. The CDOR will continue to focus on recruitment of people with disabilities, including individuals who have received services from CDOR, through outreach to consumers and stakeholders and employees with disabilities or knowledge of the unique challenges and experiences of individuals with disabilities.

A recruitment team, comprised of a designated recruiter for each district, has been created to plan and implement activities to ensure that outreach to potential candidate pools include individuals with disabilities, with a focus on individuals with disabilities identified as underserved, and educate CDOR consumers and external stakeholders of career opportunities with CDOR. Additionally, CDOR created a recruitment outreach contact database with national and California disability rights organizations and networks to increase recruitment reach to persons with disabilities.

The CDOR analyzed feedback provided in the 2019 Employee Engagement Survey to determine how the CDOR workforce perceives the work environment for all employees, including personnel from diverse backgrounds and those with disabilities.

Disability Inclusion and Advisory Committee

The CDOR continues to support its Diversity and Inclusion Advisory Committee (DIAC) to conduct outreach to unserved and underserved individuals and consumers, and to diversify CDOR employee applicant pools to ensure a diverse workforce in order to meet consumer needs. The DIAC meets quarterly to identify outreach and diversity gaps and determine potential solutions for consideration by CDOR's Executive Leadership Team.

The DIAC developed a Cultural Competency Training, a diversity and inclusion training with a focus on disability awareness and cultural competency. The training gave staff an opportunity to develop foundational diversity and inclusion knowledge and demonstrate practical ways to implement inclusive behaviors into their work.

The training was piloted in the CDOR San Joaquin District in 2018 and used interactive activities, a multimedia presentation, and experiential learning opportunities to help increase their knowledge around cultural competency, expand their skill base in delivering culturally competent services, and identify behavioral changes that can contribute to a culturally competent work environment. The participants were asked to evaluate the training and serve as a focus group for the development and implementation of future trainings. The CDOR's senior management team experienced the training in March 2019 and recommended that it should be rolled out to all CDOR district staff. After the San Joaquin District pilot and training to the CDOR senior management, the Intersectionality Training was successfully rolled out to all districts from April through June of 2021.

The DIAC reconvened with its kickoff meeting in November 2021 with the goal of repeating the Intersectionality Training to all staff, in collaboration with the CDOR Staff Development Unit's Intersectionality Workgroup and will include additional Diversity and Equity and Inclusion trainings to all staff annually, on a quarterly basis, over the course of the next four years. The proposed trainings to all staff during 2022 and subsequent years, are as follows:

- Intersectionality Training
- Micro-Aggression
- Implicit and Explicit Bias
- Community Conversations

Preceding the rollout of the trainings discussed above, the DIAC members will facilitate community conversations, statewide among staff, with topics that correspond and support the quarterly trainings.

The DIAC will continue to work in collaboration with the CDOR's Office for Diversity Equity and Inclusion (DEI), which will be established in 2022. The Office for DEI's proposed initiatives and goals are provided below and align with the goals of the DIAC.

CDOR's Office for Diversity, Equity and Inclusion

With nearly 2,000 employees, CDOR is committed to promoting employment for persons with disabilities and creating and expanding a culture of diversity, equity, and inclusion reflective of the communities CDOR serves by establishing the DEI office in 2022.

The proposed goal of the DEI office is to foster excellence within CDOR where diversity, equity and inclusion are exemplified through:

- Building comprehensive diversity, equity, and inclusion strategies and methodologies centered on the needs of employees, consumers, and internal and external stakeholders.
- Collaborating with stakeholders to promote visibility of diversity, equity, and inclusion, both internally and externally.
- Partnering across divisions to drive a diverse talent pool, for building strong departmental growth and performance.
- Developing and implementing diverse, equitable, inclusive, and innovative programs and initiatives that move beyond representation.
- Creating a sustainable, diverse, equitable, and inclusive work environment through developing, recommending, and facilitating training.
- Developing innovative strategies into business processes regarding talent acquisition, performance management, leadership development, succession planning, employee engagement, and retention.
- Demonstrating progress to drive departmental action through establishing diversity, equity, and inclusion metrics with measurable objectives and goals.
- Sharing knowledge and best practices through promotion, building, and collaboration of strategic internal and external partnerships.
- Serving as a model employer of persons with disabilities.

3. PERSONNEL STANDARDS

A. STANDARDS THAT ARE CONSISTENT WITH ANY NATIONAL OR STATE-APPROVED OR -RECOGNIZED CERTIFICATION, LICENSING, REGISTRATION, OR OTHER COMPARABLE REQUIREMENTS THAT APPLY TO THE PROFESSION OR DISCIPLINE IN WHICH SUCH PERSONNEL ARE PROVIDING VR SERVICES; AND

The CDOR maintains adherence to the highest personnel standard that will ensure professional and paraprofessional staff are adequately trained and prepared for employment.

CDOR Employees with Education and, or Certification Standards

Candidates applying for all positions must meet California's personnel standards prior to appointment, including proof of possession of degree, certification, licensing, and registration requirements applicable for each position.

California standards identified in the state approved job specifications include certification, licensing, and registration requirements for the following job classifications: Senior Vocational Rehabilitation Counselor, Qualified Rehabilitation Professional (SVRC/QRP); Teacher, Orientation and Mobility for the Blind; Teacher, Orientation and Mobility for the Blind (Typing and Braille); Teacher, Home Economics; Counselor, Orientation Center for the Blind; Vocational Instructor (Culinary Arts or Computer and Related Technologies); Physician and Surgeon; Medical Consultant; Dental Consultant; Consulting Psychologist, Optometric Consultant and Work Incentive Planner classifications. These standards are detailed below:

SVRC/QRP

Possession of a Master's degree in Rehabilitation Counseling from a recognized institution or:

- Possession of a Master's degree or Doctorate Degree in a closely related field with successful completion of one graduate course with a primary focus on the Theories and Techniques of Counseling, or
- Possession of an active national certification as a Certified Rehabilitation Counselor.

Teacher, Orientation and Mobility for the Blind

Possession of a valid California Teaching credential authorizing the teaching of orientation and mobility to the visually disabled and either:

- Completion of an approved graduate curriculum leading to a Master of Arts degree in Orientation and Mobility Training. Candidates who are within six months of completing the required education will be admitted to the examination, but they will not be appointed until they have completed the curriculum, or,
- Two years of experience working with the blind in training in mobility skills and physical conditioning (completion of an approved training course in the orientation and mobility in a Veterans Administration Hospital may be substituted for up to one year of the required experience on the basis of one year of training for one year of experience.) and,
- Equivalent to graduation from college.

Teacher, Orientation Center for the Blind (Typing and Braille)

Possession of a valid California designated subject credential in Typing and Braille and either:

- Two years of experience teaching Typing and Braille, or,
- Four years of typing experience which must have included or been supplemented by experience or training in reading and writing Braille and Education: Equivalent to graduation from college. (Additional qualifying experience may be substituted for not more than two years of the required education on a year-for-year basis.)

Teacher, Home Economics

Possession of a Secondary Credential with a major or minor in home economics.

Counselor, Orientation Center for the Blind

Equivalent to completion of two years of college, preferably including such courses as psychology, physiology, or mental hygiene. (Two years of experience teaching blind adults may be substituted for not more than two years of the required education on a year-for-year basis.)

Vocational Instructor (Culinary Arts or Computer and Related Technologies)

Credential: Possession of a valid California teaching credential which authorizes the holder to teach, on a full-time basis, a vocational course in the appropriate subject specialty or Industrial Arts subspeciality.

Physician and Surgeon

Possession of the legal requirements for the practice of medicine in California as determined by the California Board of Medical Quality Assurance or the California Board of Osteopathic Examiners.

Medical Consultant

Possession of legal requirements for the practice of medicine, as determined by the California Board of Medical Quality Assurance or the California Board of Osteopathic Examiners, in addition to one year of experience in the practice of medicine exclusive of internship. Applicants who are in the process of securing approval by the Board of Medical Quality Assurance or the California Board of Osteopathic Examiners will be admitted to the examination, but the Board to which the application is made must determine that all legal requirements have been met before the candidate will be eligible for appointment.

Consulting Psychologist

Possession of a valid license as a Psychologist issued by the California Board of Psychology and possession of an earned Doctorate Degree in Psychology from an educational institution meeting the criteria of Section 2914 of the California Business and Professions Code. Unlicensed individuals who are recruited from outside the State of California and who qualify for licensure may take the examination and may be appointed for a maximum of two years at which time licensure shall have been obtained or the employment shall be terminated. Experience must include either:

- Two years of experience in the California state service performing clinical psychology duties equivalent to those of a Psychologist (Various Specialties), Psychologist (Health Facility) (Various Specialties), or Psychologist Clinical, Correctional Facility. Or,
- Three years of full–time postdoctoral, post–internship experience in the practice of psychology involving either training, research, consultation, or program planning in mental health services.

Optometric Consultant

Possession of the legal requirements for the practice of optometry in California as determined by the California State Board of Optometry. Applicants who are in the process of securing approval of their qualifications by the State Board of Optometry will be admitted to the examination, but that Board must determine that all legal requirements have been met before candidates will be eligible for appointment.

Experience must include two years of experience within the past five years as a practicing Optometrist. Experience as an Optometrist in the consultant function of a medical care program can be substituted on a year–for–year basis.

Work Incentive Planner

The CDOR recruits Work Incentive Planners using the state civil service Staff Services Analyst Classification. After the CDOR Work Incentive Planners are hired, they participate in and complete the Cornell University Work Incentives Practitioner Credentialing training for certification.

B. THE ESTABLISHMENT AND MAINTENANCE OF EDUCATION AND EXPERIENCE REQUIREMENTS, IN ACCORDANCE WITH SECTION 101(A)(7)(B)(II) OF THE REHABILITATION

ACT, TO ENSURE THAT THE PERSONNEL HAVE A 21ST CENTURY UNDERSTANDING OF THE EVOLVING LABOR FORCE AND THE NEEDS OF INDIVIDUALS WITH DISABILITIES.

21st Century Understanding

The WIOA describes the need for personnel to have a 21st century understanding of the evolving labor force and the needs of individuals with disabilities. The CDOR's existing requirement for VR Counselors to have a Master's Degree in Rehabilitation Counseling supports this need. In addition, CDOR will offer the following training:

- 21st Century Labor Market (Job–Driven Economy)
- Building Effective Partnerships with America's Job Center of California
- Building Effective Partnerships with Employers
- Competitive Integrated Employment
- Customized Employment
- Medical Aspects of Disability
- Youth
- Business Engagement
- Capacity Building

4. STAFF DEVELOPMENT

A. A SYSTEM OF STAFF DEVELOPMENT FOR PROFESSIONALS AND PARAPROFESSIONALS WITHIN THE DESIGNATED STATE UNIT, PARTICULARLY WITH RESPECT TO ASSESSMENT, VOCATIONAL COUNSELING, JOB PLACEMENT, AND REHABILITATION TECHNOLOGY, INCLUDING TRAINING IMPLEMENTED IN COORDINATION WITH ENTITIES CARRYING OUT STATE PROGRAMS UNDER SECTION 4 OF THE ASSISTIVE TECHNOLOGY ACT OF 1998; AND

System of staff development

A system of staff development for professionals and paraprofessionals within the designated State unit, particularly with respect to assessment, vocational counseling, job placement, and rehabilitation technology, including training implemented in coordination with entities carrying out State programs under section 4 of the AT Act of 1998; and

Staff Development

The CDOR will provide training through three training tracks to professional and paraprofessional staff:

Track 1: Onboarding Training – provides CDOR employees with an introduction to the department and how to function successfully within it. Key components include CDOR's mission, CDOR and VR history, and the rehabilitation process. Since 2018, ongoing onboarding trainings have been offered regularly throughout the year in various modalities.

Track 2: Academies – provides policy-based training for the VRSD team.

Track 3: Continuing Education – provides continuing education training on a range of current VR topics, including AT. Trainings are provided on-demand for staff to utilize as needed. Training evaluations will be completed through a pre-assessment to both the participant and their manager to determine a baseline of learning. A course evaluation is completed immediately after the training is finished and at 30/60/90 days after the training for both the participant and their manager to determine the effectiveness of the training. A training needs

assessment is conducted every two years of CDOR employees to help guide information about the direction and need of continuing education for staff.

Training for Supervisory Staff

In addition to the three training tracks, the State of California amended Government Code 19995.4 to mandate initial and biennial leadership and development training for Staff Services Manager I, or equivalent, and above.

B. PROCEDURES FOR THE ACQUISITION AND DISSEMINATION OF SIGNIFICANT KNOWLEDGE FROM RESEARCH AND OTHER SOURCES TO DESIGNATED STATE UNIT PROFESSIONALS AND PARAPROFESSIONALS.

Acquisition and dissemination of significant knowledge

Procedures for the acquisition and dissemination of significant knowledge from research and other sources to designated State unit professionals and paraprofessionals.

The CDOR continues to routinely acquire and disseminate significant VR research.

- Topical webinars from VR leaders including the Research Technical Assistance Center, the National Center on Leadership for the Employment and Economic Advancement of People with Disabilities, and the Employment and Training Administration.
- CDOR Director's Quarterly Forum.
- Coordinates conferences and workshops for professional and paraprofessional that are applicable to current industry practices.

5. PERSONNEL TO ADDRESS INDIVIDUAL COMMUNICATION NEEDS

California is a culturally diverse state and CDOR is committed to providing timely language services, as required. The Dymally–Alatorre Bilingual Services Act is a state law that ensures individuals seeking state government services whose primary language is not English are not precluded from receiving State of California Services because of language barriers. The CDOR has a Bilingual Services Program that ensures its services are effectively communicated to limited or non–English speaking individuals, as required by the Act.

To ensure effective communication with members of the public, including applicants and eligible individuals with disabilities, CDOR provides a variety of language services including, but not limited to, bilingual oral interpretation, bilingual written translation, and American Sign Language Interpreting. The CDOR translates a variety of written materials that communicate its services in the following languages: Spanish, Armenian, Cambodian, Chinese, Korean, Spanish, Tagalog, and Vietnamese.

Additionally, appropriate accommodations, such as Auxiliary aids and services are provided, where necessary and as required, to afford an individual with a disability an equal opportunity to participate in CDOR services. Auxiliary aids include services or devices such as qualified interpreters; assistive listening devices; real time, open, closed captioning; teletypewriters or Video Relay services; videotext displays; readers; taped texts; Braille materials; and large print materials.

In addition, CDOR's Disability Access Services (DAS) provides training and technical assistance to ensure that individuals with disabilities have full and equal access in government services, public accommodations, and employment opportunities for individuals with disabilities are achievable.

The DAS provides internal and external partners with training and technical assistance to ensure that all digital and written materials intended to communicate with individuals with disabilities are accessible regardless of disability type.

6. COORDINATION OF PERSONNEL DEVELOPMENT UNDER THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT

The CDOR and CDE have an established core series of trainings designed for CDOR and LEA staff. These trainings are initiated by CDOR and LEA cooperative program partners and include topics on VR– relevant subjects such as Employment Preparation, Job Development and Placement; Transition–Age Youth; Benefits Planning and Management; and Strategies for Veterans Entering and Reentry into the Civilian Workforce. Trainings are provided, as mutually requested by CDOR and the local education agency. In total, 18 trainings were provided between July 2018 and June 2019; 20 trainings were provided between July 2019 and June 2020; and 16 trainings were provided between June 2020 and July 2021.

Additionally, CDOR provides cross–training to LEAs with designated school district VRSD teams to inform and support educators on CDOR services and application processes. The CDE provides the CDOR with informational material for CDOR staff on mandated secondary transition planning under IDEA for students who have an IEP.

J. STATEWIDE ASSESSMENT

1. PROVIDE AN ASSESSMENT OF THE REHABILITATION NEEDS OF INDIVIDUALS WITH DISABILITIES RESIDING WITHIN THE STATE, PARTICULARLY THE VR SERVICES NEEDS OF THOSE:

A. WITH THE MOST SIGNIFICANT DISABILITIES, INCLUDING THEIR NEED FOR SUPPORTED EMPLOYMENT SERVICES;

The CDOR jointly conducts a triennial comprehensive statewide assessment (CSA) with the SRC to determine the VR needs of individuals with disabilities in California. The CDOR published the 2018-2020 CSA in January 2021.

The purpose of the CSA is to assess the needs of Californians with disabilities, identify barriers to employment, and service needs. Over the 2018-2020 triennial cycle of the CSA, the five federally required areas of assessment were conducted by cumulative qualitative and quantitative data research methods. The five areas of assessment were to determine the rehabilitation needs of:

- Individuals with most significant disabilities and their need for supported employment services,
- Individuals who are minorities and individuals who are unserved or underserved by CDOR,
- Individuals who have been served through other components of the statewide workforce development system,
- Youth with disabilities and students with disabilities, including their need for transition services or pre-employment transition services, and
- An assessment of the need to establish, develop, or improve CRPs in California.

This update provides a summary of the themes in the 2018-2020 CSA for each required area of assessment and the areas where research was conducted for the CSA. The needs assessment utilized quantitative data research consisting of internal VR caseload data and external sources such as U.S. Census survey data. Qualitative data was also used to assess areas of need and

included key informant interviews, surveys, and telephone interviews. The qualitative component plan was conducted beginning in the Spring of 2019 through the Summer 2020.

This update provides a summary of the final CSA report which included complete research data, analysis, findings, and recommendations for each of the five required areas of assessment. For additional information on the CDOR's research, findings, analysis, and themes, please refer to the complete CSA report.

Data Sources

The 2018-2020 CSA, completed between Spring 2018 and Fall 2020, draws upon primary and secondary data. The following sources and data collection methods were used to complete the required components of the assessment:

- Key informant interviews of community subject matter experts on unserved and underserved populations.
- Key informant interviews of CDOR VR staff on the workforce development system, barriers for individuals with disabilities accessing services, and opportunities for collaborating with workforce partners.
- Surveys of CDOR staff and workforce development system partners.
- Analysis of American Community Survey (ACS) data.
- Analysis of CDOR caseload data.
- Analysis of CDE student data.
- Analysis of the 2018-2019 CDOR CSS.

2018-2020 CSA Themes

Customer service areas for improvement

Surveys and interviews with CDOR staff and stakeholders were conducted and the following areas were identified as areas that need improvement:

- Streamline the application process, paperwork, and timelines.
- Increase outreach, especially to minorities, un/underserved, and non-English speaking individuals.
- Increase the use of technology for the provision of services and provide for the use of electronic signatures on forms.
- Increase staff to accommodate potential consumers in a timely manner and to get them through the process more efficiently.
- Provide additional staff training in several areas, such as cultural competency, customized employment, behavioral health disabilities, and working with AJCCs.

Coordination with other systems

The LPAs have been created throughout the state to formalize the coordination between systems throughout local communities in California. The LPAs involve LEAs, regional centers, CRPs, AJCCs, local businesses, and other stakeholders. These agreements facilitate and streamline service delivery, engage communities, and increase competitive integrated employment opportunities for individuals with ID/DD.

Continued work on the LPAs is necessary to solidify relationships with local partners and attract more partners and businesses for the successful placement of individuals with ID/DD. Additional training for AJCC and CRP staff for working with individuals with the most significant disabilities is needed in some areas.

Memorandums of Understanding have been developed with LEAs throughout the state for the provision of CDOR Student Services to students. Additional MOUs are needed for the provision of CDOR Student Services throughout the state.

Service Barriers and Access

Stakeholders have provided their input on possible barriers to CDOR services. Barriers to accessing services include:

- Long wait time due to staff shortages.
- Lack of transportation, especially in rural areas.
- Burdensome paperwork for services.
- Language and cultural barriers.
- Need for staff training in Customized Employment and cultural competency.
- Lack of CRPs, including lack of staff and available services.
- Lack of available businesses providing job opportunities.
- Fear of losing benefits.
- Homelessness or housing insecurity.
- Substance abuse.

Staffing and training needs

Stakeholders and CDOR staff have identified that delays in services are partially due to the difficulty experienced in hiring and maintaining adequate staff to meet the needs of Californians requesting services. Additionally, the need for staff training in cultural competency has been identified as a need for the provision of services to the state's diverse population.

Emerging populations have been identified as individuals who are housing displaced, have dual diagnosis of substance abuse and behavioral health disabilities, are neuro diverse, or are justice-involved. Each of these populations will have specific needs. Cultural competency training, training to address behavioral health disabilities, and collaboration with other programs within the workforce development system will assist CDOR staff with providing the services, information, and referrals that lead to successful closures.

Section Themes:

Section I. Individuals with the most significant disabilities, including their need for supported employment services

The CDOR identified the following themes for individuals with the most significant disabilities:

- Many CRPs are understaffed and need additional training to better serve individuals with the most significant disabilities.
- CDOR and CRP staff need training for the provision of customized employment preparation and services.

- AJCC staff in many areas need additional training to meet the needs of individuals with the most significant disabilities.
- Use of technology for the provision of services may be beneficial for overcoming the identified barrier of transportation, especially in rural areas.

In the CSA, CDOR identified the following needs for individuals with the most significant disabilities:

- There is a need for African American and Latinx VR consumers to be provided with Supported Employment services at rates similar to the rate they are represented in the most significantly disabled population.
- There is a need to provide individuals working in subminimum wage settings, including those with ID/D, with VR services resulting in competitive integrated employment. Services include benefits counseling, supported employment, soft skills training, to name a few.
- There is a need for CRPs that can provide services, including Customized Employment and soft skills training, to individuals with most significant disabilities throughout the state.
- Individuals with MSD who reside in rural areas of the state and have lack of convenient transportation need alternative methods of service delivery, including services provided by CRPs.
- Individuals with most significant disabilities need access to AJCCs that have staff trained to provide services to individuals with disabilities.

Section II. Individuals with disabilities who are minorities and individuals with disabilities who have been unserved or underserved by the vocational rehabilitation program

As of 2019, California was ranked the most culturally diverse state in the United States. The CDOR identified the following recurring themes for individuals with disabilities who are minorities and those who have been unserved or underserved by the VR program:

- Individuals who identify as Asian may be underserved when comparing CDOR data to ACS data.
- CDOR staff may benefit from cultural competency and behavioral health training.
- Homeless individuals, justice-involved individuals, non-English speakers, those with a dual diagnosis of substance abuse and behavioral disabilities, and those who have ID/DD were identified by key informants as being underserved.

In the CSA, CDOR identified the following needs for individuals with disabilities who are unserved or underserved:

- There is a need for additional outreach informing individuals with disabilities who are Asian or African Americans, of CDOR VR services.
- There is a need to identify specific service delivery methods and services that facilitate higher successful closure rates for African American, American Indian, and those who identify as multiple races.
- Individuals who were in the foster care system or who have experienced homelessness need counselors who have experience providing trauma-informed care.

Section III. Individuals with disabilities served through other components of the statewide workforce development system

The findings and recommendations are based on stakeholder feedback and suggestions.

- AJCC and CDOR staff are eager to work together to help people with disabilities.
- AJCC staff needs additional training in identifying and serving individuals with disabilities.
- CDOR consumers have a varying degree of access to technology and technological skills. This needs to be taken into consideration when the department is developing new strategies for providing services to consumers.
- Despite CDOR's efforts, employers still exhibit a bias against individuals with disabilities.
- The COVID-19 pandemic has posed unique challenges for consumers with changes in the labor market and access to services.

In the CSA, CDOR identified the following needs for individuals with disabilities served through other components of the statewide workforce development system:

- Individuals with disabilities need to be able to access CDOR services at local AJCCs through availability of CDOR staff at those offices.
- There is a need for CDOR to establish partnerships with more businesses in support of hiring VR consumers.
- VR consumers need training in technological skills to help them be competitive in the job market.
- There is a need for CDOR to develop a standardized referral process for VR consumers to access AJCC services.

Section IV. Who are youth with disabilities and students with disabilities, including, as appropriate, their need for pre-employment transition services or other transition services

The following themes were identified for the needs of students and youth with disabilities:

- There is a need for CDOR to focus on members of the Latinx community as an underserved group.
- Lack of available business partners is a barrier for students and their ability to gain work experience.
- Building collaborative relationships with LEAs will be beneficial for CDOR for the provision of CDOR Student Services (pre-employment transition services).
- The CDOR and CDE should continue identifying and providing specific supports and services for at-risk youth with disabilities, such as homeless students and youth.

In the CSA, CDOR identified the following needs for youth with disabilities, and students with disabilities, including their need for transition services and CDOR Student Services:

- There is a need for CDOR to provide outreach to Latinx youth/students for the provision of VR services.
- Additional staff is needed to meet the demand for students requesting CDOR Student Services.

- Additional CDOR staff training is needed in order to provide culturally competent services to students in foster care systems, with addictions, with mental health challenges.
- CDOR needs to train VR staff on trauma-informed care for the provision of VR services to at-risk youth, which includes youth in or from the foster care system and youth experiencing homelessness.
- CDOR needs to conduct outreach to foster youth with disabilities and youth with disabilities that are also experiencing homelessness.

Section V. Assessing the need to establish, develop, or improve community rehabilitation programs within the State

CRPs facilitate the provision of VR services to individuals with disabilities in support of their goal of employment, independence, and equality. The following themes were identified for the need to establish, develop, or improve CRPs within the State:

- Over the last five years, there has been a decline in the number of VR consumers that receive CRP services.
- There is a need for more CRP-provided services, such as services for individuals with the most significant disabilities, especially in rural areas.

In the CSA, CDOR identified the following need to establish, develop, or improve community rehabilitation programs within the State:

- In a survey, almost half the respondents identified the lack of CRPs in rural areas to be a barrier to employment for individuals with MSD.
- CDOR Consumers need more help in accessing the services provided by the CRPs, especially in rural areas.
- There is a need for CRPs with bilingual staff to serve California's diverse population of individuals with disabilities.
- There is a need for the approved CRPs to have more capacity to meet the service needs of CDOR consumers.

B. WHO ARE MINORITIES;

Refer to the response for Description J – (specifically (j)(1)(A)).

C. WHO HAVE BEEN UNSERVED OR UNDERSERVED BY THE VR PROGRAM;

Refer to the response for Description J – (specifically (j)(1)(A)).

D. WHO HAVE BEEN SERVED THROUGH OTHER COMPONENTS OF THE STATEWIDE WORKFORCE DEVELOPMENT SYSTEM; AND

Refer to the response for Description J – (specifically (j)(1)(A)).

E. WHO ARE YOUTH WITH DISABILITIES AND STUDENTS WITH DISABILITIES, INCLUDING, AS APPROPRIATE, THEIR NEED FOR PRE-EMPLOYMENT TRANSITION SERVICES OR OTHER TRANSITION SERVICES.

Refer to the response for Description J – (specifically (j)(1)(A)).

2. IDENTIFY THE NEED TO ESTABLISH, DEVELOP, OR IMPROVE COMMUNITY REHABILITATION PROGRAMS WITHIN THE STATE; AND

Refer to the response for Description J – (specifically (j)(1)(A)).

3. INCLUDE AN ASSESSMENT OF THE NEEDS OF INDIVIDUALS WITH DISABILITIES FOR TRANSITION CAREER SERVICES AND PRE-EMPLOYMENT TRANSITION SERVICES, AND THE EXTENT TO WHICH SUCH SERVICES ARE COORDINATED WITH TRANSITION SERVICES PROVIDED UNDER THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT

The CDOR and CDE have developed an interagency agreement which outlines the statewide framework for collaboration for the provision of CDOR Student Services.

The CDOR and LEAs collaborate to develop the transition services portion of the IEP for students who qualify for VR services. When invited, CDOR staff attend IEP meetings to participate in the planning and development of CDOR Student Services and transition services for the student. For CDOR, a student's IPE must align with the goals, objectives, and services identified in the education program.

To meet the needs of students and youth with disabilities as identified in the CSA (refer to description (J)(1)(A), specifically Section IV. Youth with disabilities, and students with disabilities, including their need for transition services), CDOR is implementing several efforts, such as:

- Engaging with education officials to provide education and technical assistance about CDOR Student Services and to develop LPAs to collaborate in the provision of competitive integrated employment services, and to conduct outreach on the availability of both CDOR services, including outreach to Latinx students with disabilities.

- Hosting career events for participating LEAs leading to work-based learning experiences for their students with disabilities.

- Developing We Can Work contracts for a summer job academy with the local office of education that will provide summer jobs for students with disabilities in local school districts.

- Maintaining contact with specialized programs within colleges (such as foster youth programs, anti-recidivism programs, disabled students office, etc.) to keep them informed about CDOR services and to request referrals, if any.

- Collaborating with school districts to pilot the provision of training to job developers that serve CDOR's TPP programs under the newly formed Job Developers' Network. The Job Developers Network will combine the efforts of all job developers statewide, who provide employment services CDOR consumers.

K. ANNUAL ESTIMATES

1. THE NUMBER OF INDIVIDUALS IN THE STATE WHO ARE ELIGIBLE FOR SERVICES

Annual Estimates

The California Department of Finance, using estimates from the U.S. Census Bureau, 2020 American Community Survey 1-Year Experimental Data, estimates that in 2023, California's population will be 40,354,217, of which approximately 1,953,346 adults ages 18 through 64 will have a disability. These individuals may qualify for VR services under Title IV. The CDOR serves all individuals with disabilities who qualify for services, regardless of age.

2. THE NUMBER OF ELIGIBLE INDIVIDUALS WHO WILL RECEIVE SERVICES UNDER:

A. THE VR PROGRAM;

In FFY 2022 and 2023, CDOR estimates it will provide a range of VR services to approximately 80,000 individuals with disabilities each year, who meet the Order of Selection Declaration (OOS), as identified in the response for Description (m) – Order of Selection. The CDOR

estimates that 10,600 out of 80,000 will be students with disabilities receiving CDOR Student Services each year. The CDOR also estimates providing CDOR Student Services to approximately 30,000 potentially eligible students with disabilities each year. Approximately 24,578 VR applications will be received each year from individuals with disabilities and the full range of VR services may be provided to all eligible individuals assigned to Priority Categories 1, 2 and 3 as of November 2, 2020.

B. THE SUPPORTED EMPLOYMENT PROGRAM; AND

During FFY 2022 and 2023, CDOR anticipates of the 8,625 individuals with the most significant disabilities in Priority Category 1, 8,091 consumers will receive Supported Employment services under Title I and Title VI funds each year. Of this number, an estimated 675 consumers will be funded from Title VI Funds each year.

Of this number, an estimated 675 consumers will be funded from Title VI Funds each year.

C. EACH PRIORITY CATEGORY, IF UNDER AN ORDER OF SELECTION.

Refer to the Priority Category descriptions provided in Description (m)(1)(C) – Order of Selection. The table indicates the number of eligible individuals estimated to receive services under each priority category for FFY 2022 and FFY 2023 each year.

Priority Category	Estimated Number to be Served
Category 1: Individual With a Most Significant Disability	28,625
Category 2: Individual With a Significant Disability	51,164
Category 3: Individual With a Disability	211
Totals	**80,000**

Other Individuals Served	Estimated Number to be Served
Potentially Eligible Students with Disabilities	30,000
Individuals Served Grand Total	**110,000**

Data Source: CDOR's Budgets, Fiscal Forecasting and Research Section

3. THE NUMBER OF INDIVIDUALS WHO ARE ELIGIBLE FOR VR SERVICES, BUT ARE NOT RECEIVING SUCH SERVICES DUE TO AN ORDER OF SELECTION; AND

Number of Eligible Individuals Not Receiving VR Services

Effective November 2, 2020, the full range of VR services may be provided to eligible individuals assigned to Priority Categories 1, 2, and 3, and there are no individuals assigned to priority category waiting lists.

In FFY 2022 and FFY 2023, CDOR plans to serve all eligible individuals in Priority Categories 1, 2, and 3.

4. THE COST OF SERVICES FOR THE NUMBER OF INDIVIDUALS ESTIMATED TO BE ELIGIBLE FOR SERVICES. IF UNDER AN ORDER OF SELECTION, IDENTIFY THE COST OF SERVICES FOR EACH PRIORITY CATEGORY.

The charts below include the estimated costs of services and number of individuals to be served for each priority category.

FFY 2022 Estimates of Cost of Services for Consumers Served

Priority Category	Title I or Title VI	Estimated Funds	Estimated Number to be Served	Average Cost of Services
Category 1: Individual With a Most Significant Disability	Title I	$68,629,009	27,950	$2,455
Category 1: Individual With a Most Significant Disability	Title VI	$1,990,432	675*	$2,949
Category 2: Individual With a Significant Disability	Title I	$90,354,145	51,164	$1,766
Category 3: Individual With a Disability	Title I	$225,994	211	$1,071
Totals		**$161,199,580**	**80,000**	**$2,015**

*Consumers receiving Supported Employment services funded by Title VI may also receive services funded by Title I.

Other Individuals Served	Title I or Title VI	Estimated Funds	Estimated Number to be Served	Average Cost of Services
Potentially Eligible Students with Disabilities	Title I	$25,712,420*	30,000	$857
Individuals Served Grand Total		**$186,912,000**	**110,000**	**$1,700**

*The estimated funds for potentially eligible students with disabilities includes only purchased services.

Data Source: CDOR's Budgets, Fiscal Forecasting and Research Section

FFY 2023 Estimates of Cost of Services for Consumers Served

Priority Category	Title I or Title VI	Estimated Funds	Estimated Number to be Served	Average Cost of Services
Category 1: Individual With a	Title I	$68,629,009	27,950	$2,455

Priority Category	Title I or Title VI	Estimated Funds	Estimated Number to be Served	Average Cost of Services
Most Significant Disability				
Category 1: Individual With a Most Significant Disability	Title VI	$1,990,432	675*	$2,949
Category 2: Individual With a Significant Disability	Title I	$90,354,145	51,164	$1,766
Category 3: Individual With a Disability	Title I	$225,994	211	$1,071
Totals		**$161,199,580**	**80,000**	**$2,015**

*Consumers receiving Supported Employment services funded by Title VI may also receive services funded by Title I.

Other Individuals Served	Title I or Title VI	Estimated Funds	Estimated Number to be Served	Average Cost of Services
Potentially Eligible Students with Disabilities	Title I	$25,712,420*	30,000	$857
Individuals Served Grand Total		**$186,912,000**	**110,000**	**$1,700**

*The estimated funds for potentially eligible students with disabilities includes only purchased services.

Data Source: CDOR's Budgets, Fiscal Forecasting and Research Section

L. STATE GOALS AND PRIORITIES

1. IDENTIFY IF THE GOALS AND PRIORITIES WERE JOINTLY DEVELOPED AND AGREED TO BY THE STATE VR AGENCY AND THE STATE REHABILITATION COUNCIL, IF THE STATE HAS A COUNCIL, AND JOINTLY AGREED TO ANY REVISIONS

The CDOR and the SRC jointly developed, reviewed, and agreed to the following State Plan Priorities and Goals.

2. IDENTIFY THE GOALS AND PRIORITIES IN CARRYING OUT THE VR AND SUPPORTED EMPLOYMENT PROGRAMS

Priority: Increasing the Quality & Quantity of EmploymentOutcomes

Goal: Provide effective VR services with quality IPE developments consistent with workforce needs that lead to a career track with upward mobility offering sustainable living wages.

Goal: Develop innovative approaches to support an increase in obtaining and sustaining employment for all consumers including those with the most significant barriers to employment.

Goal: Improve systems alignment, coordination, and integration with partners to create a pathway toward successful employment outcomes for Californians with disabilities, including individuals with the most significant disabilities, with priorities focusing on individuals with behavioral health disabilities, students with disabilities, transition-age foster youth with disabilities, individuals with ID/DD, and justice-involved individuals with disabilities.

Priority: Services to Businesses

Goal: Meet business talent needs by preparing consumers for in- demand jobs using local and regional labor market information.

Goal: Build a direct pathway between employers and workers with disabilities including developing innovative ways to engage businesses.

3. ENSURE THAT THE GOALS AND PRIORITIES ARE BASED ON AN ANALYSIS OF THE FOLLOWING AREAS:

A. THE MOST RECENT COMPREHENSIVE STATEWIDE ASSESSMENT, INCLUDING ANY UPDATES;

The priorities and goals were based in part on the data obtained and analyzed in the current CSA. The data includes CDOR caseload, U.S. Census, staff and consumer surveys, and other external sources.

Wage and employment outcome data analyzed in the CSA highlighted CDOR's need to place additional emphasis on finding consumers jobs that offer sustainable, living wages with a career track. The data also presents the opportunity to uncover innovative ways to work with consumers to ensure they obtain and sustain their jobs. The data also supports better utilizing local and regional labor market information to inform consumer IPEs as indicated by the majority of CDOR consumers who obtain employment in the service industry and earn at or slightly above minimum wage. As a result, CDOR developed goals one and two under priority two "Services to Businesses."

The CSA findings also indicate CDOR consumers are less likely to have the same level of postsecondary education when compared to individuals with disabilities statewide. As such, CDOR will continue to track consumer credential attainment and measurable skills gain and implement strategies to increase both measures.

The CDOR's data analysis revealed that over the past five program years, a majority of the caseload are individuals with behavioral health disabilities. The CDOR recognizes this and developed goal three, under priority one "Increasing the Quality and Quantity of Employment Outcomes" to identify ways to provide a continuum of services to individuals with behavioral health disabilities.

The data analysis indicates CDOR provides supported employment services to approximately 7,500 consumers each year. Therefore, CDOR has placed an emphasis on ensuring individuals with the most significant disabilities, including those with ID/DD, achieve competitive integrated employment. Goal three under priority one "Increasing the Quality and Quantity of Employment Outcomes" identifies opportunities for partnership and systems alignment to increase competitive integrated employment for individuals with the most significant disabilities.

B. THE STATE'S PERFORMANCE UNDER THE PERFORMANCE ACCOUNTABILITY MEASURES OF SECTION 116 OF WIOA; AND

The CDOR achieved the measurable skill gains performance measure in PY 20. The actual level of performance for this performance measure was 43.3% and the negotiated level of performance was 27%.

One CDOR State Plan objective under priority one, goal one, aims to increase measurable skill gains for the number of consumers attaining measurable skill gains by 15% over three years, or an average of 5% each year. The CDOR convened a data integrity workgroup and used data from the workgroup to validate if the objective was achievable and determined expected rates based off the data.

C. OTHER AVAILABLE INFORMATION ON THE OPERATION AND EFFECTIVENESS OF THE VR PROGRAM, INCLUDING ANY REPORTS RECEIVED FROM THE STATE REHABILITATION COUNCIL AND FINDINGS AND RECOMMENDATIONS FROM MONITORING ACTIVITIES CONDUCTED UNDER SECTION 107.

Refer to the response for description for the Goals and Priorities, specifically (l)(3)(A).

The SRC and CDOR jointly developed and agreed to the 2020 – 2024 State Plan priorities and goals. The SRC supports the two priorities and five goals within the 2020 – 2024 State Plan.

The SRC encourages CDOR to consider the significance of and need for cultural competency in the provision of VR services to youth, students, and adults with disabilities. The CDOR acknowledges this consideration and used it to inform the objectives and strategies for priority one, goal three pertaining to improving systems alignment, coordination, and integration. Furthermore, the SRC suggests CDOR explore the benefits of increasing the variety and supply of potential employers, including small businesses. This suggestion is captured in goals one and two in priority two "Services to Businesses."

M. ORDER OF SELECTION

1. WHETHER THE DESIGNATED STATE UNIT WILL IMPLEMENT AND ORDER OF SELECTION. IF SO, DESCRIBE:

A. THE ORDER TO BE FOLLOWED IN SELECTING ELIGIBLE INDIVIDUALS TO BE PROVIDED VR SERVICES

Description of Priority Categories

Under the Order of Selection process, California has three priority categories in the following order: Priority Category 1, Individual With A Most Significant Disability; Priority Category 2, Individual With A Significant Disability; and Priority Category 3, Individual With a Disability. The CDOR will serve all individuals with most significant disabilities first, and once all individuals with most significant disabilities have been served, CDOR will serve individuals with significant disabilities, and once individuals with significant disabilities have been served, CDOR will serve all individuals with a disability. The CDOR plans to continue the implementation of an Order of Selection in FFY 2022 and FFY 2023; however, all priority categories are open with no waiting lists. The CDOR continues to assess resources periodically to evaluate whether the resources are adequate to serve individuals in all three priority categories.

After an individual is found eligible for VR services, the VR Counselor evaluates the functional limitations, anticipated services needed, and the duration of the services to identify the level of significance of disability.

Factors that cannot be used in determining the Level of Significance of Disability of eligible individuals include: residency, type of disability, sex, race, age, religious creed, color, ancestry, national origin, sexual orientation, marital status, referral source, type of expected employment

outcome, need for or anticipated cost of specific VR services required for an individual's plan for employment, an individual's or family's income level, or counseling and guidance and/or transportation services. The Level of Significance of Disability is used to determine the applicable Order of Selection priority category.

B. THE JUSTIFICATION FOR THE ORDER

Since 1995, CDOR had operated the VR program under a Declaration of Order of Selection due to inadequate resources to provide VR services to all individuals with disabilities in California. At this time, CDOR has adequate resources to serve all individuals with disabilities who apply for services. Annually, CDOR reviews projected resources and projected costs for each state fiscal year, which starts July 1 and ends June 30, as provided by California Code of Regulations, title 9, section 7052(a), and determines whether the projected resources continue to be inadequate to meet all the projected costs for state fiscal year. If projected resources remain inadequate to provide VR services to all individuals with disabilities in California, a new Order of Selection is issued, before June 30, informing the public that projected resources are not adequate to serve all eligible individuals, and lists the priority categories which can be served during the next state fiscal year.

Priority Category means the order in which an eligible individual with a disability will be served. An individual's priority category will be based on first, the level of significance of disability (below) and two, on the date of application for VR services.

Priority Category 1: Individual With A Most Significant Disability

An individual with a disability who has a serious limitation in terms of employment in at least four functional capacity areas; is expected to require multiple VR services over an extended period of time (more than six months); and has one or more physical or mental disabilities.

Priority Category 2: Individual With A Significant Disability

An individual who the Social Security Administration has determined is eligible for Social Security benefits as a result of a disability or blindness; or, an individual who meets the following three criteria: has a serious limitation in terms of employment in at least one functional capacity area; is expected to require multiple VR services over an extended period of time; and has one or more physical or mental disabilities resulting from another disability or a combination of disabilities as determined by the basis of an assessment for determining eligibility and VR needs to cause comparable substantial functional limitation in accordance with 34 C.F.R. 361.5(c)(30(iii).

Priority Category 3: Individual With a Disability

An individual with a disability who has at least one limitation in terms of employment in any functional capacity area; and is not expected to require multiple VR services over an extended period of time.

C. THE SERVICE AND OUTCOME GOALS

During FFY 2022, CDOR estimates it will serve approximately 80,000 individuals with disabilities who will meet the Order of Selection policy, including VR consumers receiving Student Services who are students with disabilities. The total spending for all consumers served in FFY 2022 is estimated at $161,199,580. The CDOR estimates 8,051 individuals will be Closed–Rehabilitated, of which 2,851 will be in Priority Category 1, 5,187 will be in Priority Category 2, and 13 will be in Priority Category 3. The CDOR currently does not track students with disabilities who may have acquired employment.

FFY 2022 Estimated Service Numbers and Outcome Goals

Priority Category	Number Served	Closed - Rehabilitated	Closed - Other	Months In Plan To Closure	Cost of Services
1	28,625	2,851	5,409	26	$70,619,441
2	51,164	5,187	11,061	25	$90,354,145
3	211	13	66	18	$225,994
Total	**80,000**	**8,051**	**16,536**	**23**	**$161,199,580**

Other Individuals Served	Number Served	Closed - Rehabilitated	Closed- Other	Months In Plan To Closure	Cost of Services
Potentially Eligible Students with Disabilities	30,000	N/A	4,570	17	$ 25,712,240
Individuals Served Grand Total	**110,000**	**8,051**	**21,106**	**24**	**$186,912,000**

Data Source: CDOR's Budgets, Fiscal Forecasting and Research Section

Note: The closure rate in this figure is based on all consumers and CDOR's rate is much higher when only considering consumers in plan.

FFY 2023 Estimated Service Numbers and Outcome Goals

Priority Category	Number Served	Closed - Rehabilitated	Closed - Other	Months In Plan To Closure	Cost of Services
1	28,625	2,851	5,409	26	$70,619,441
2	51,164	5,187	11,061	25	$90,354,145
3	211	13	66	18	$225,994
Total	**80,000**	**8,051**	**16,536**	**23**	**$161,199,580**

Other Individuals Served	Number Served	Closed - Rehabilitated	Closed- Other	Months In Plan To Closure	Cost of Services
Potentially Eligible Students with Disabilities	30,000	N/A	4,570	17	$ 25,712,240

Other Individuals Served	Number Served	Closed - Rehabilitated	Closed- Other	Months In Plan To Closure	Cost of Services
Individuals Served **Grand Total**	**110,000**	**8,051**	**21,106**	**24**	**$186,912,000**

Data Source: CDOR's Budgets, Fiscal Forecasting and Research Section

Note: The closure rate in this figure is based on all consumers and CDOR's rate is much higher when only considering consumers in plan.

D. TIME WITHIN WHICH THESE GOALS MAY BE ACHIEVED FOR INDIVIDUALS IN EACH PRIORITY CATEGORY WITHIN THE ORDER; AND

Refer to the table in the response for the Order of Selection, specifically description (m)(1)(c).

E. HOW INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES ARE SELECTED FOR SERVICES BEFORE ALL OTHER INDIVIDUALS WITH DISABILITIES

Priority of Order of Selection Categories

The CDOR formally notifies all VR program applicants of their Order of Selection Priority Category in writing. Currently, the full range of VR services may be provided to all eligible individuals assigned to Priority Categories 1, 2 and 3 (effective November 2, 2020). No individuals remain on a waiting list in any of the three priority categories. When CDOR is implementing an order of selection and there are priority category waiting lists, all individuals with the most significant disabilities assigned to Priority Category 1 are served first by date of application, before individuals assigned to the next priority category can be served. Once CDOR has served all individuals in the first priority category, then it can begin to serve individuals assigned to the second priority category. Once all the individuals assigned to the second priority category have been served by application date, then CDOR can begin serving all of those individuals assigned to the third priority category by application date. When CDOR is serving individuals assigned to priority category waiting lists, individuals are selected for services based on their priority category (e.g., priority category 1 (one), 2 (two), and 3 (three), and date of application).

2. IF THE DESIGNATED STATE UNIT HAS ELECTED TO SERVE ELIGIBLE INDIVIDUALS, REGARDLESS OF ANY ESTABLISHED ORDER OF SELECTION, WHO REQUIRE SPECIFIC SERVICES OR EQUIPMENT TO MAINTAIN EMPLOYMENT

At this time, CDOR has elected to not alter the existing Order of Selection policy to allow provision of services to eligible individuals, whether or not receiving VR services, who require specific services or equipment to maintain employment.

N. GOALS AND PLANS FOR DISTRIBUTION OF TITLE VI FUNDS

1. SPECIFY THE STATE'S GOALS AND PRIORITIES FOR FUNDS RECEIVED UNDER SECTION 603 OF THE REHABILITATION ACT FOR THE PROVISION OF SUPPORTED EMPLOYMENT SERVICES

The CDOR's goal for Title VI funds is identified in the response for Description (l) – State Goals and Priorities under the priority "Increasing the Quality and Quantity of Employment Outcomes" goal three.

The CDOR will utilize approximately $1,990,432 in Title VI funds annually to provide supported employment services to eligible individuals with the most significant disabilities, prioritizing at least 50% of these funds for youth with the most significant disabilities.

- During FFY 2022, CDOR anticipates 8,091 consumers will receive Supported Employment services under Title I and Title VI funds. Of this number, an estimated 675 consumers will be funded from Title VI Funds.
- During FFY 2023, CDOR anticipates 8,091 consumers will receive Supported Employment services under Title I and Title VI funds. Of this number, an estimated 675 consumers will be funded from Title VI Funds.

Through June 2022, CDOR worked closely with CDE and DDS on the Competitive Integrated Employment Blueprint. The overarching goal of the Blueprint was to increase employment outcomes for adults and youth with intellectual disabilities and developmental disabilities.

Some of the accomplishments from the Competitive Integrated Employment Blueprint are listed below:

- 1,051 individuals with ID/DD attained competitive integrated employment through CDOR services.
- Expanded partnerships and cross-system collaborations by developing seven additional LPAs for a cumulative total of 57 LPAs.
- Developed a Data Use Agreement between the CDE and DOR, as a part of the two agencies' non-monetary Interagency Agreement.
- Increased work opportunities in the community through the following career exploration and work experiences activities:
    - 22,809 students with ID/DD participated in paid work experience and unpaid community-based vocational education with CDE WorkAbility I.
    - 18 individuals with ID/DD participated in on-the-job training through CDOR.
- Provided CC&IR services to over 9,000 individuals working at subminimum wage, of which over 300 applied for CDOR services and 68 achieved competitive integrated employment.

The CDOR will additionally make available services under section 603 to individuals with other disability types that need supported employment services, including those with behavioral health disabilities, traumatic brain injuries, and other most significant disabilities; and youth who need extended services that are not met under the Lanterman Developmental Disabilities Services Act (Welf. & Inst. Code, § 4500 et seq.).

The CDOR intends to achieve its supported employment goal through the following actions:

- Sustaining effective collaboration with core and extended Competitive Integrated Employment Blueprint partners through regular communication and in-person meetings.
- Applying best practices from CaPROMISE to emphasize family engagement and a strong commitment to person-centered planning by building partnerships with LEAs, regional centers and others who know the individual well.
- Coordinating with CDOR Districts to identify outreach strategies and procedures to unserved and underserved populations including minority groups, youth and students

with disabilities, and individuals in rural areas who may be eligible for Supported Employment services.

- Exploring natural supports as a source for extended services.
- Expanding partnerships that support competitive integrated employment with California's developmental disabilities system.

The CDOR's collaboration efforts regarding supported employment services and extended services are identified in the response for Description (f) – Arrangements and Cooperative Agreements for the Provision of Supported Employment Services.

Collaboration with Schools Regarding Required Documentation Specified in Section 511 Regarding Career Exploration Activities for Individuals Considering Sub–Minimum Wage Employment

The CDOR and CDE Interagency Agreement includes specific requirements related to individuals considering sub-minimum wage employment. Actions include, but are not limited to:

- Communication by CDE with LEAs, parents, guardians, teachers, and students about the Section 511 requirements.
- CDOR maintains the documentation and provides a copy to the individual within specified timelines under 34 CFR 397.
- The LEA documents any services provided and gives the documentation to the student and CDOR.
- If a youth with a disability or, as applicable, the youth's parent or guardian, refuses, through informed choice, to participate in the activities required by Section 511 or the implementing regulations in 34 CFR 397, documentation must, at a minimum:
    - Contain the information in 34 CFR 397.10(a)(2); and
    - Be provided by CDOR to the youth within 10 calendar days of the youth's refusal to participate.
    - The CDOR School Liaison meets with LEA partners at least annually and review Section 511 requirements within the statewide interagency agreement.

Through SB 639, subminimum wage employment is phasing out starting January 2022. The CDOR will continue to collaborate with CDE to prepare students and their families for competitive integrated employment. Please refer to Description f, California Initiatives, for more details about SB 639.

2. DESCRIBE THE ACTIVITIES TO BE CONDUCTED, WITH FUNDS RESERVED PURSUANT TO SECTION 603(D), FOR YOUTH WITH THE MOST SIGNIFICANT DISABILITIES, INCLUDING:

A. THE PROVISION OF EXTENDED SERVICES FOR A PERIOD NOT TO EXCEED 4 YEARS; AND

The Lanterman Developmental Disabilities Services Act (Welf. & Inst. Code, § 4500 et seq.) is a primary funding source of extended services for individuals with ID/DD in California, ages 22 and older, and is provided through DDS.

The CDOR will provide extended services for youth with the most significant disabilities for up to four years or until the youth is 25 years of age, whichever comes first, for those youth who are not eligible for extended services under the Lanterman Developmental Disabilities Services Act. These may include DDS-eligible youth with ID/DD ages 14 through 21, and youth with

behavioral health disabilities, traumatic brain injuries, and other most significant disabilities, ages 14 through 24.

B. HOW THE STATE WILL LEVERAGE OTHER PUBLIC AND PRIVATE FUNDS TO INCREASE RESOURCES FOR EXTENDED SERVICES AND EXPANDED SUPPORTED EMPLOYMENT OPPORTUNITIES FOR YOUTH WITH THE MOST SIGNIFICANT DISABILITIES.

The DDS provides extended services through the Lanterman Developmental Disabilities Services Act (Welf. & Inst. Code, § 4500 et seq.).

The DDS also received state funding for paid internship programs for individuals with most significant disabilities and competitive integrated employment incentive payments to CRPs for job retention after six and 12 months of employment. The CDOR will work collaboratively with DDS to leverage these paid internship programs to afford students and adults with the most significant disabilities opportunities to obtain work experience and pre-vocational soft skills development.

O. STATE'S STRATEGIES

1. THE METHODS TO BE USED TO EXPAND AND IMPROVE SERVICES TO INDIVIDUALS WITH DISABILITIES

State's Strategies. The CDOR developed measurable objectives to support CDOR's achievement of the Priorities and Goals identified in the response for Description (l) – State Goals and Priorities. These program goals and objectives represent CDOR's approach to increasing the quality and quantity of employment outcomes for all individuals with disabilities, including those with significant barriers to employment, and services to businesses. Actions (referred to as "Strategies") to achieve the priorities, goals, and objectives, consistent with the CSA, are identified below.

The objectives in this section were drafted prior to the COVID-19 pandemic and while tracking the progress in 2020 and 2021, CDOR realized that some of the language was not effective in reporting on our efforts because of the vast operational changes that the department underwent due to the pandemic. Some of the objectives have been updated accordingly to track the ratio of consumers as opposed to the number of consumers and baseline years have been adjusted in a manner that will enable CDOR to report the progress for achieving the objectives more accurately.

Priority: Increasing the Quality and Quantity of Employment Outcomes

Goal 1: Provide effective VR services with quality IPE developments consistent with workforce needs that lead to a career track with upward mobility offering sustainable living wages.

Objectives:

- From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers that attain credentials by 15 percent from the baseline (an average of five percent each year). The baseline year will be based on the number of consumers that attain credentials in program year July 1, 2020, through June 30, 2021.
- From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers that achieve measurable skills gains by 15 percent from the baseline (an average of five percent each year). The baseline year will be based on the number of consumers that achieve measurable skills gains in program year July 1, 2020, through June 30, 2021.
- From July 1, 2020, through June 30, 2024, CDOR will increase consumer wages at case closure by 40 percent from the baseline (an average of 10 percent each year). The

baseline will be based on average hourly wages for consumers in program year July 1, 2019, through June 30, 2020.

Strategies:

- Identify accessible tools for career exploration and apply LMI to guide IPE development and planning.
- Develop an inclusive vocational assessment process for staff to utilize toward developing IPEs.
- Identify and provide enhanced or expanded supports to remove employment barriers at the beginning of IPE development and throughout planning.

Goal 2: Develop innovative approaches to support an increase in obtaining and sustaining employment for all consumers including those with the most significant barriers to employment.

Objectives:

- From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers in unsubsidized employment two quarters after program exit by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on the number of consumers in unsubsidized employment during the second quarter after program exit in program year July 1, 2020, through June 30, 2021.
- From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers in unsubsidized employment during the fourth quarter after program exit by 15 percent from the baseline (an average of five percent each year). The baseline year will be based on the number of consumers in unsubsidized employment during the fourth quarter after program exit in program year July 1, 2020, through June 30, 2021.

Strategies:

- Utilize technology improvements, innovative and new practices, and streamlined processes that support effective caseload management and enhance positive customer experiences.
- Identify workforce trends by applying LMI and establish partnerships with businesses, career technical education (CTE) and apprenticeship programs, and other resources and supports to prepare individuals with disabilities for employment.
- Partner with local education agencies, postsecondary education and training programs, state and county-level programs and services, and community-based organizations to facilitate and develop wraparound supports that can help consumers maintain successful employment.

Goal 3: Improve systems alignment, coordination, and integration with partners to create a pathway toward successful employment outcomes for Californians with disabilities, including individuals with the most significant disabilities, with priorities focusing on individuals with behavioral health disabilities, students with disabilities, transition-age foster youth with disabilities, individuals with ID/DD, and justice-involved individuals with disabilities.

Objectives:

- From July 1, 2022, through June 30, 2024, CDOR will decrease the percent of cases closed other than successfully employed by four percent from the baseline (an average of two percent each year) for consumers who have behavioral health disabilities. The

baseline year will be based on the percent of case closures in program year July 1, 2021, through June 30, 2022.

- From July 1, 2022, through June 30, 2024, CDOR will increase the percent of eligible and potentially eligible students with disabilities who receive work-based learning experiences by 10 percent from the baseline (an average of five percent each year). The baseline will be based on the percent of students with disabilities that received work-based learning experiences in program year July 1, 2021, through June 30, 2022.
- From July 1, 2022, through June 30, 2024, CDOR will decrease the percent of cases closed other than successfully employed by four percent from the baseline (an average of two percent each year) for consumers who are transition age (ages 14 to 24) foster youth. The baseline year will be based on the percent of cases closed other than successfully employed for transition age foster youth in program year July 1, 2021, through June 30, 2022.
- From July 1, 2021, through June 30, 2024, CDOR will increase the number of individuals with disabilities who leave subminimum wage (SMW) employment, with the assistance of CDOR services, and apply for CDOR services to explore competitive integrated employment by 15 percent from the baseline (an average of five percent each year). The baseline year will be based on the number of individuals with disabilities that choose to leave SMW employment and apply for CDOR services to explore competitive integrated employment in program year July 1, 2020, through June 30, 2021.
- From July 1, 2022, through June 30, 2024, CDOR will increase the percent of individuals with disabilities who choose to leave SMW employment and achieve competitive integrated employment at CDOR by 10 percent from the baseline (an average of five percent each year). The baseline year will be based on the percent of individuals with disabilities who choose to leave SMW employment and achieve competitive integrated employment at CDOR in program year July 1, 2021, through June 30, 2022.
- From July 1, 2022, through June 30, 2024, CDOR will decrease the percent of cases closed other than successfully employed by four percent from the baseline (an average of two percent each year) for justice-involved consumers. The baseline year will be based on the percent of total cases closed for justice-involved consumers during the program year July 1, 2021, through June 30, 2022.

Strategies

- Partner with state, county, and local-level partners to leverage resources that provide person-centered and whole-person wraparound services to bridge service gaps identified in the CSA.
- Partner with the AJCC's and Adult Education Title II, CDE to support program access for all individuals with disabilities, including individuals with disabilities who have behavioral health disabilities, students, transition-age foster youth, individuals with ID/DD, and justice-involved.
- Launch the Individual Placement and Support (IPS) model or other new innovative projects in counties throughout the State.
- Complete MOUs or Interagency Agreements with county and local behavioral health programs to build and sustain effective collaboration.
- Complete MOUs or Interagency Agreements with California's educational system at the local level to continue to build, expand, and sustain effective collaboration with educational partners.

- Engage with local county partners as they develop System of Care for Children and Youth MOUs with systems serving transition age foster youth, as required by Assembly Bill 2083 (Cooley, Statutes of 2018, Chapter 815) to build and sustain effective collaboration for transition age foster youth.
- Expand partnerships that support competitive integrated employment with the California Developmental Disabilities System (DDS, Regional Centers, Association of Regional Center Agencies, the State Council on Developmental Disabilities, and University Centers for Excellence in Developmental Disabilities Education, Research, and Service).
- Complete partnerships with systems serving justice-involved individuals with disabilities, including the California Department of Corrections and Rehabilitation, the Corrections-Workforce Partnership, and the California Prison Industry Authority, to support the successful transition from prison to employment for individuals with disabilities.

Priority: Services to Businesses

Goal 1: Meet business talent needs by preparing consumers for in-demand jobs using local and regional labor market information.

Objectives:

- From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers that obtain apprenticeships by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on the number of consumers that obtain apprenticeships in program year July 1, 2020, through June 30, 2021.
- From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers that obtain paid work experience by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on number of consumers that obtain paid work experience in program year July 1, 2020, through June 30, 2021.
- From July 1, 2022, through June 30, 2024, CDOR will increase the percent of consumers that are co-enrolled in AJCCs by 10 percent from the baseline (an average of 5 percent each year). The baseline year will be based on percent of consumers that are co-enrolled in AJCCs in program year July 1, 2021, through June 30, 2022.

Strategies:

- Engage the workforce development system and the business community via effective outreach, relationship, and partnership building. Maintain regular CDOR participation at each of the 14 Regional Planning Units and on each local workforce development board.
- Explore and inform CDOR counselors and consumers of local opportunities to obtain non-degree credentials, including certificates, industry certifications, apprenticeship certificates, and occupational licenses with CTE, workforce, and businesses to build an inclusive and skilled future workforce.
- Emphasize and support increased earn-and-learn opportunities for consumers including OJT, paid work experiences, internships, and apprenticeships with businesses.
- Identify and provide early interventions to address potential employment barriers, such as providing work incentive planning support, workplace readiness training, self-advocacy training and work-based learning opportunities.

Goal 2: Build a direct pathway between employers and workers with disabilities, including developing innovative ways to engage businesses.

Objectives:

- From July 1, 2020, through June 30, 2024, CDOR will increase the number of business relationships by 20 percent from the baseline (an average of 5 percent each year). The baseline year will be based on business relationships established in program year July 1, 2019, through June 30, 2020. A business relationship is when CDOR successfully employs a consumer at a new business.
- From July 1, 2020, through June 30, 2024, CDOR will provide at least 60 disability access, disability accommodations, or disability awareness trainings to businesses throughout the state each year.

Strategies:

- Each Regional Director or Regional Business Specialist will meet with local business leaders from identified in-demand sectors, as determined by their local Regional Planning Unit, to develop working partnerships or establish initiatives that support hiring and/or recruitment of individuals with disabilities.
- Access and utilize LMI, including, but not limited to, CalJOBS, World of Work Inventory, The Career Index Plus, Career Zone, and Careerinfo.net, to inform plans that help businesses meet their recruitment and talent needs.
- Inform business partners on hiring incentives and resources (e.g. Work Opportunity Tax Credit, Talent Acquisition Portal, Disability Awareness training, the AT network, and CDOR Business Based Services) to support businesses employing, supporting, retaining and promoting qualified talent with disabilities.

2. HOW A BROAD RANGE OF ASSISTIVE TECHNOLOGY SERVICES AND DEVICES WILL BE PROVIDED TO INDIVIDUALS WITH DISABILITIES AT EACH STAGE OF THE REHABILITATION PROCESS AND ON A STATEWIDE BASIS

The AT Act of 1998, as amended in 2004, funds each state and U.S. territory to provide AT services. In California, the program is the AT Section, which is housed within CDOR and funded by a federal grant through the U.S. Department of Health and Human Services, Administration for Community Living and supplemented with state Social Security Reimbursement funds. To implement the required services, CDOR contracts with the California Foundation for Independent Living Centers to provide AT services statewide to assist individuals with disabilities to live independently and participate in the community. In addition, CDOR funds a network of Assistive Technology Advocates housed at the 28 Independent Living Centers across the state to provide individualized AT services at the local level. Through these activities, as detailed below, CDOR assures coordination with AT programs.

The CDOR provides AT services and devices for VR applicants and consumers based on their need at each stage of the rehabilitation process, from initial interview through case closure and post– employment services to help achieve their employment goal. AT services include providing devices, equipment, hardware, and, or, software to promote greater independence. CDOR informs applicants and consumers about their rights and remedies for decisions made regarding AT services and devices.

The CDOR's Mobility Evaluation Program (MEP) provides AT evaluations to CDOR consumers. The CDOR VR Counselors initiate the request for this service by contacting MEP and discussing the case. The MEP will determine if the requested evaluation based on the consumer's needs, availability of equipment for trial, expertise with the technology the consumer may need, and distance to the potential evaluation location will be provided to the consumer. Generally, MEP

will travel to the consumer's home, work, or school site, or even meet the consumer at the equipment vendor's facilities so the consumer may trial a piece of equipment to assess problems in the environments in which they occur. A written report providing recommendations for AT to solve specific performance problems, as well as price and availability information for the recommended items is sent to the VR counselor within a month after the consumer was last seen.

To educate VR Counselors, Service Coordinators, and Business Specialists about AT options for applicants and consumers, CDOR offers a Rehabilitation Technology two-day training class at least once per year. This training includes reviewing the different types of assistive devices available to consumers, and where and how to obtain appropriate assessments and recommendations for these devices. A statewide CDOR AT Services Coordinator is available to assist CDOR staff with technical assistance and guidance.

Through a statewide contract and AT funds for the Independent Living Network, CDOR also provides AT services through the California AT Program, a statewide program federally funded through the AT Act and supplemented with state Social Security Reimbursement funds. The California AT Program provides services including:

- Device Loan Program: Short-term loans can be provided up to one month to qualifying individuals and can be renewed.
- Device Reutilization Program: A web-based program for individuals and organizations to list reused AT devices to their communities at low or no cost.
- AT and Transportation Loan Guarantee Program: An individual with a disability, family member, or legal guardian of a child with a disability, and an employer (only for the AT Loan Program) can apply for a loan to purchase a vehicle, modifications for a vehicle, and AT services and devices.

Individuals with disabilities can access CDOR's public website for information on AT program resources and services. In January 2019, State of California agencies and departments transitioned from using the State Price Schedule for Assistive Technology (SPS-AT) to the new California Assistive Technology, Services and Devices (Cal-ATSD) Supplier Directory. The Cal-ATSD is a statewide change (not limited to vocational rehabilitation) that offers a streamlined supplier application, a user-friendly online directory, and expands the use of existing, flexible procurement methods available to all state buyers.

3. THE OUTREACH PROCEDURES THAT WILL BE USED TO IDENTIFY AND SERVE INDIVIDUALS WITH DISABILITIES WHO ARE MINORITIES, INCLUDING THOSE WITH THE MOST SIGNIFICANT DISABILITIES, AS WELL AS THOSE WHO HAVE BEEN UNSERVED OR UNDERSERVED BY THE VR PROGRAM

Through the CSA, as identified in Description (j) – Statewide Assessment, CDOR conducts an assessment on the level of its outreach to individuals with disabilities, including those who are minorities, with the most significant disabilities to determine who may be unserved or underserved by the VR program. As part of the most recent CSA, which was published in January 2021, CDOR conducted key informant interviews with subject matters experts to obtain qualitative data about individuals with disabilities in California that were unserved or underserved by the VR Program. The results of the key informant interviews were aggregated and analyzed, and shared in the final CSA report.

As a result of a previous CSA finding, CDOR participated in the E3: Educate, Empower, Employ Targeted Communities project (Project E3) to provide technical assistance (TA) to State VR agencies and their partners, to address barriers to VR participation and competitive integrated employment of historically underserved groups of individuals with disabilities. The project was a collaboration of Southern University Baton Rouge, University of Wisconsin-Madison,

University of Wisconsin-Stout, University of Kentucky, George Washington University, University of Illinois at Urbana-Champaign, Employment Resources, Inc. (ERI) and the Council of State Administrators of Vocational Rehabilitation (CSAVR). The project brought together state VR professionals and local community stakeholders to connect with and engage traditionally underserved targeted populations across 24 communities in 12 twelve states over a five-year period.

The Intensive TA was provided on-site through long-term service delivery relationships with local VR agency personnel and community-based partners in economically disadvantaged communities identified by the VR agencies themselves. Targeted and universal TA will also be provided.

Project E3 activities included knowledge development; targeted community identification by State VR agencies; and intensive, targeted, and universal technical assistance (including information dissemination via a state-of-the-art website, and National-State VR agency forums and meetings).

Diversity and Inclusion Advisory Committee

The CDOR continues to support its Diversity and Inclusion Advisory Committee (DIAC) to conduct outreach to unserved and underserved individuals and consumers, and to diversify CDOR employee applicant pools to ensure a diverse workforce in order to meet consumer needs. The DIAC meets quarterly to identify outreach and diversity gaps and determine potential solutions for consideration by CDOR's Executive Leadership Team.

The DIAC developed a Cultural Competency Training, a diversity and inclusion training with a focus on disability awareness and cultural competency. The training gave staff an opportunity to develop foundational diversity and inclusion knowledge and demonstrate practical ways to implement inclusive behaviors into their work.

The training was piloted in the CDOR San Joaquin District in 2018 and used interactive activities, a multimedia presentation, and experiential learning opportunities to help increase their knowledge in the area of cultural competency, expand their skill base in delivering culturally competent services, and identify behavioral changes that can contribute to a culturally competent work environment. The participants were asked to evaluate the training and serve as a focus group for the development and implementation of future trainings. CDOR's senior management team experienced the training March 2019 and recommended that it should be rolled out to all CDOR district staff. Subsequently, the Intersectionality training was successfully rolled out to all districts between April and June 2021.

The DIAC had a kickoff meeting in November 2021 with the goal of providing the Intersectionality Training to all staff, in collaboration with the CDOR Staff Development Section's Intersectionality Workgroup and will include additional Diversity and Equity and Inclusion trainings to all staff over the next four years. The proposed trainings to all staff during 2022 and subsequent years, are as follows:

- Intersectionality Training
- Micro-Aggression
- Implicit and Explicit Bias
- Community Conversations

Prior to the roll-out of the trainings, the DIAC members will facilitate community conversations with staff statewide on topics that correspond with and support the trainings.

The DIAC will continue to work in collaboration with the CDOR's Office for Diversity Equity and Inclusion to best equip CDOR staff with the skills to cater to and conduct outreach to individuals with disabilities who are minorities and who are identified as unserved and underserved populations.

4. THE METHODS TO BE USED TO IMPROVE AND EXPAND VR SERVICES FOR STUDENTS WITH DISABILITIES, INCLUDING THE COORDINATION OF SERVICES DESIGNED TO FACILITATE THE TRANSITION OF SUCH STUDENTS FROM SCHOOL TO POSTSECONDARY LIFE (INCLUDING THE RECEIPT OF VR SERVICES, POSTSECONDARY EDUCATION, EMPLOYMENT, AND PRE-EMPLOYMENT TRANSITION SERVICES)

The CDOR has worked with CDE to extend the timeframe for eligible and potentially eligible students with disabilities receiving CDOR Student Services beyond the age of 22 based upon the student's birth month, but not beyond the point at which a secondary school student exits their special education program. The maximum age range for students with disabilities to receive CDOR Student Services is consistent with the maximum age range for special education services specified in California Education Code Section 56026.

In addition to the CDOR/CDE Interagency Agreement and Appendix A, the CDOR developed three new resources: a Collaboration Worksheet, CDOR School Contact List, and a CDOR Student Services flyer. It aims to support the development of strategies that will work best in each LEA and CDOR district. Topics include but are not limited to referral to CDOR Student Services, student access, and other key processes – understanding that different areas will have different resources and needs.

The CDOR continues to meet with California's Special Education Local Planning Areas directors biannually to maintain communication between CDOR and students with disabilities.

On a regular basis, CDOR and CDE send out joint communication to staff to keep them apprised of the needs of students with disabilities.

The CDOR Director and CDE's Director of Special Education conduct joint speaking engagements to speak of the need to fully integrate education so that every student regardless of disability be mapped from the educational system to employment.

Most recently, CDOR has been working closely with LEAs for provision of services during COVID-19 through joint stakeholder calls and CDOR leadership connecting with all schools.

Refer to the "Systems Alignment, Coordination & Integration" priority, goal two objectives and strategies for additional information on the response for Description (o)(1) – State's Strategies.

5. IF APPLICABLE, PLANS FOR ESTABLISHING, DEVELOPING, OR IMPROVING COMMUNITY REHABILITATION PROGRAMS WITHIN THE STATE

The CDOR continues to implement plans to establish, develop, and improve CRPs that address the needs of consumers. Efforts continue to take place to identify improvements to CDOR program evaluation processes for CRPs. In California's State Fiscal Year 2019-20 Budget, approved by the Legislature and signed into law by Governor Newsom, includes funds to support the first broad fee-for-service rate increase for CRPs since the establishment of the Uniform Fee Structure in 2009. Effective July 1, 2019, a 10 percent rate increase was applied to 42 fee-for-service Vocational Rehabilitation services provided by CRPs. In addition to the 10 percent increase applied to the 42 VR services, six services that include wage components under Situational Assessment and Work Adjustment, will receive an additional $4 per hour to compensate for the increase in the minimum wage. The hourly rate for both Situational Assessment and Work Adjustment includes wages paid to consumers.

In June 2018, CDOR established a new customized employment service description and rates to be piloted. The CDOR initiated pilot programs of the new service in July 2018 that continued through June 2019.

The new customized employment model includes a sequenced funding between the CDOR district and regional center, in which the regional center funds the first two components of the service (Discovery Process and Creating Discovery Document and Planning), and CDOR funds the last two components (Business Negotiation and Job Site Analysis and Systematic Instruction and Ongoing Supports). At the conclusion of the last component, and if the individual is stable on the job, they are transferred back to regional center who will fund additional supports as necessary.

The original three customized employment locations are now out of the "pilot" phase and CDOR is continuing to scale customized employment services statewide. In addition to the sequenced funding model between CDOR and Regional Centers, CDOR has implemented a fully funded CDOR alternative. This is designed to allow customized employment service provision in circumstances where shared funding is not available or cannot be implemented in a timely manner. The CDOR provides any consumer with customized employment when requested and appropriate.

The CDOR's CRD Section continues to update and use the Rehabilitation Resources Directory, an online resource on CDOR's website that provides users with complete information about CRPs throughout California. The CDOR's CRD Section is updating the CRP Vendorization and Certification Guidelines with information on CDOR Student Services and Customized Employment WIOA services.

The CDOR continues to assess the viability of utilizing establishment projects and currently has no plans underway for any such projects.

6. STRATEGIES TO IMPROVE THE PERFORMANCE OF THE STATE WITH RESPECT TO THE PERFORMANCE ACCOUNTABILITY MEASURES UNDER SECTION 116 OF WIOA

Between October 1, 2018, and December 31, 2018, CDOR submitted its first annual WIOA Statewide and Local Performance Report (ETA 9169) to its federal oversight agency, the Rehabilitation Services Administration (RSA). This report aggregates data to match other WIOA core partner performance reports and educates the Congress on local performance and activities as they relate to the WIOA Performance Measures. The CDOR submitted its second performance report in October 2019 and concluded a two-year baseline for collecting and gathering baseline data for WIOA performance measures. The CDOR worked with RSA in 2020 to establish standards and target performance measures. Internally, CDOR is using the data collected to analyze internal processes for service delivery, data collection, and data sharing agreements to improve program successes. To achieve all of this, CDOR created an ongoing data integrity team, called the Enterprise Data Governance Board, to identify integrity issues and to propose and implement both technical and operational solutions. One activity of the Board is reviewing performance measures to ensure CDOR data validates the performance measures.

The CDOR continues to work diligently with its core partners, its consumers, and software providers to collect accurate and timely information for open and closed records of services.

WIOA Performance Measures

The CDOR utilizes Alliance Enterprise's Accessible Web–based Activity Reporting Environment (Aware) case management system to collect the data needed to calculate the WIOA performance measures. Aware is the primary data collection system used to export all data elements for the quarterly RSA-911 Case Services Reports and, in association, the ETA-9169 Annual Performance Report. Annual WIOA Performance Measures are calculated annually, by RSA, through the

accumulated submission of the four quarterly RSA-911 reports of each program year (July 1 through June 30).

The WIOA data for Performance Measures one through three, related to Employment 2nd and 4th Quarter After Exit and Median Wages 2nd Quarter After Exit, is collected through an Interagency Agreement with the EDD. This agreement allows for employment and wage information to be shared with CDOR and be reported on the quarterly RSA -911 reports; and, it acts as supporting documentation for that performance data. In situations where Supplementation Wage Information is required, CDOR has provided policy guidance and procedures to manually collect and enter data into the Aware system for RSA-911 reporting purposes.

The WIOA data for Performance Measures four and five, Credential Attainment and Measurable Skill Gains, is currently collected and enter manually by CDOR staff at local levels, statewide. This includes the gathering, tracking, and recording of educational information and supporting documentation into the *Aware* system. The CDOR has provided policy guidance, procedures, and training materials to staff for gathering and recording of Credential Attainment and Measurable Skill Gains, including supporting documentation. The CDOR is also in discussion to developing an Interagency Agreements with CDE to share data on consumers that attained credentials and had measurable skills gains. The goal of the agreement, if approved, would be to improve data integrity and consistency for these Performance Measures and to mitigate the administrative burden of staff and participants for collecting and validating supporting documentation.

The WIOA Performance Measure six, Effectiveness in Serving Employers, is a submitted by EDD on behalf of all California WIOA partners. The CDOR provides data to EDD, as necessary, through the Interagency Agreement, in order for them consolidate and submit annually.

Local Partnerships

The CDOR has partnered and will continue to partner with the local Workforce Development Boards and AJCCs. The CDOR and California Workforce Development Board will work jointly with the AJCCs to increase the number of CDOR consumers that are co-enrolled: enrolled in CDOR services and those services provided by the AJCC. The CDOR Central Office staff will provide support to the CDOR District management as they implement the priorities and strategies at the local level. The CDOR will also continue to coordinate with the California Workforce Development Board to update, as needed, local and regional level Memorandum of Understandings for the America's Job Center of California.

7. STRATEGIES FOR ASSISTING OTHER COMPONENTS OF THE STATEWIDE WORKFORCE DEVELOPMENT SYSTEM IN ASSISTING INDIVIDUALS WITH DISABILITIES

The CDOR is providing intensive on-site regional training to workforce partners on topics that range from how to write accessible documents to disability awareness and etiquette. The CDOR completed 171 statewide trainings through 2021. The CDOR also provides information on accessible meeting spaces, client flow in America's Job Center of California, and technical assistance to CDOR District Administrators and Team Managers that sit on boards conducting accessibility reviews. The CDOR collaborates with the California Workforce Association in delivering training to the workforce development systems through the workforce development boards, regional planning units, and AJCC staff on disability rights and awareness, employment opportunities, and equal access for individuals with disabilities. Training opportunities will become available through the California Training Institute of the California Workforce Association which will provide flexibility for the California Workforce Development Board, regional planning units, and AJCC to address any disability related training needs.

The CDOR provides training, technical assistance, and consultation to state and local government staff, public organizations, employers, and small businesses regarding disability

related issues, equal employment opportunities, and physical and digital access for individuals with disabilities. The CDOR also collaborates with state entities to ensure that

the communication and information technology infrastructure such as web, web content, information technology procurement, telecommunication, and any public or government communication is accessible for individuals with disabilities and others who use AT.

California Department of Human Resources

The CDOR is collaborating with the California Department of Human Resources, DDS, and two community programs – Futures Explored and East Bay Innovations – to develop a program designed to implement California legislation. The program (renamed the "State Internship Program) was implemented to determine effectiveness in preparing interns with intellectual and/or developmental disabilities for employment, most effective methods of preparing and supporting interns and the hiring agency, the process for placing interns on the Limited Examination and Appointment Program certification list, the process for payment to interns, and how to support a permanent civil service placement for them. For the program, the interns worked as volunteers in the hiring agency, performing the work of an Office Assistant, but were compensated for their work by the service provider who acted as the employer of record and provided on-the-job support. Wages for the intern were supported by funding from the DDS-Regional Center system. The CDOR funded services for the interns while they worked as an Office Assistant.

As of October 2021, there have been a total of twenty-nine State Internship Program placements.

California Department of Education

Refer to Description (f) under "California Initiatives".

Chancellor's Office of the California Community Colleges

The California Community Colleges offer academic and vocational education at the lower division level for both younger and older students, including those persons returning to school. Students that may potentially benefit from VR services are referred to CDOR for eligibility determination and, if appropriate, services.

University of California (UC) Regents

The UC provides services to students who are CDOR consumers with disabilities.

The California Association of Student Financial Aid Administrators

The California Association of Student Financial Aid Administrators supports mutual students who are consumers with disabilities to achieve their educational goals leading to employment. Guidelines are established for joint financial support of CDOR student consumers in the California postsecondary education system.

Sycuan Inter–Tribal Vocational Rehabilitation Program

The Sycuan Inter–Tribal Vocational Rehabilitation Program implements effective liaison, outreach, referral, and VR service delivery for Native American people with disabilities living on or near reservations in San Diego County.

California State University (CSU)

The CSU campuses refer appropriate students to CDOR for eligibility determination and, if qualified for services, CDOR will refer appropriate consumers to the CSU as part of the consumer's IPE.

Refer to objectives and strategies under goal three in the "Increasing the Quality and Quantity of Employment Outcomes" priority for additional information on the response for Description (o)(1) – State's Strategies.

8. HOW THE AGENCY'S STRATEGIES WILL BE USED TO:

A. ACHIEVE GOALS AND PRIORITIES BY THE STATE, CONSISTENT WITH THE COMPREHENSIVE NEEDS ASSESSMENT;

The CDOR conducts quarterly tracking of the progress toward meeting its priorities and goals as identified in Description (l) – State Goals and Priorities. In addition, CDOR continues to establish initiatives and continuous improvement efforts designed to improve service delivery, outreach, and administrative business operations.

In addition, refer to the response for description (o)(1), specifically – CDOR developed measurable objectives to support CDOR's achievement of the Priorities and Goals identified in the response for Description (l) – State Goals and Priorities. These program goals and objectives represent CDOR's approach to increasing the quality and quantity of employment outcomes, including those individuals with disabilities who are unserved or underserved by CDOR, and services to businesses to ensure CDOR and businesses have a mutually beneficial relationship. Actions (referred to as "Strategies") to achieve the priorities, goals, and objectives, consistent with the CSA, are identified below.

Part of the CSA included conducting key informant interviews to further assess the unserved and underserved populations of individuals with disabilities in California. The interviews provided CDOR with additional information on barriers to VR services and opportunities for CDOR to improve this area.

B. SUPPORT INNOVATION AND EXPANSION ACTIVITIES; AND

The CDOR will use Section 110 funds of the Rehabilitation Act toward supporting innovation activities to expand and improve VR services for CDOR consumers and to support the activities of the SRC.

Innovative Activities

VR Connections Portal: The CDOR team rolled out the first phase of the VR Connections Portal in January 2021 and has been offering increased functionality to staff, vendors, and consumers in subsequent releases. The project employs a web-based portal to enhance collaboration, business processes, and service delivery between CDOR staff, consumers, and vendors (including service providers, contractors, and suppliers). The use of the portal is resulting in reduced administrative burden on CDOR staff, enabling them to focus more on serving consumers leading to greater employment opportunities, independence, and equality.

Summer Training and Employment Program for Students (STEPS): In 2021, CDOR carried out the student work experience program STEPS into its fourth year. The program is larger with funding for local workforce boards and CDOR has more than doubled the number of students with disabilities who will receive work experience job training that is aligned with the employment needs of business partners as defined by the Local Workforce Development Board in each participating region. The CDOR has nine contracts with local workforce development boards throughout California to provide STEPS to students with disabilities.

Electronic Forms: Starting in 2022, CDOR will begin the statewide process of implementing a paperless process for collecting, storing, and distributing information, including information for CDOR consumers.

State Rehabilitation Council

Section 110 funds will be used to support SRC travel and administrative costs. The SRC meets at least eight times a year as a full council or for executive planning. The SRC is a partner with CDOR in major programs, policies, and projects including the State Plan, CSA, and CSS.

In addition to the activities supported by Section 110 funds, CDOR has several additional innovation and expansion activities taking place.

C. OVERCOME IDENTIFIED BARRIERS RELATING TO EQUITABLE ACCESS TO AND PARTICIPATION OF INDIVIDUALS WITH DISABILITIES IN THE STATE VR SERVICES PROGRAM AND THE STATE SUPPORTED EMPLOYMENT SERVICES PROGRAM.

The CDOR's policy is to serve all qualified individuals with a disability without discrimination based on their protected status, including physical or mental disability, age, sex, color, ethnic group, race, national origin, ancestry, religion, medical condition, sexual orientation, or marital status.

The CDOR has implemented strategies to overcome barriers and equitable access to individuals with disabilities accessing CDOR services. One strategy is making it a priority to work on intersectional barriers to employment so that CDOR staff are culturally competent to work with individuals with the disabilities with the most significant barriers. This includes individuals with disabilities that are justice-involved, foster youth, and those with behavioral health disabilities. The CDOR's commitment to mitigating barriers is evidenced in priority one, goal three relating to systems alignment, coordination, and integration.

Another strategy is to have over 80 local offices in geographical diverse areas throughout the state. The CDOR staff are also able and encouraged to travel to meet with consumers and community partners outside of the standard office setting through technology (laptops, work cell phones, mobile hot spots). The CDOR local offices located in metropolitan areas are selected to meet the transportation needs of consumers with various options for public transportation.

The CDOR will determine if additional barriers to employment exist and report the findings and recommendations in the 2021 through 2023 CSA currently under development.

P. EVALUATION AND REPORTS OF PROGRESS: VR AND SUPPORTED EMPLOYMENT GOALS

1. AN EVALUATION OF THE EXTENT TO WHICH THE VR PROGRAM GOALS DESCRIBED IN THE APPROVED VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN FOR THE MOST RECENTLY COMPLETED PROGRAM YEAR WERE ACHIEVED. THE EVALUATION MUST:

A. IDENTIFY THE STRATEGIES THAT CONTRIBUTED TO THE ACHIEVEMENT OF THE GOALS

The CDOR, jointly with the SRC, established five goals for the 2020-2024 VR Portion of the Unified State Plan. These goals were developed based on information from the CSA, requirements related to the federal Standards and Performance Indicators, CDOR's 2013–2018 Strategic Plan, and stakeholder input. The information below provides an evaluation of both the VR and Supported Employment goals (in particular, reference goal eight for Supported Employment) as well as revisions to objectives developed for the 2020-2024.

The 2020-2024 State Plan objectives were developed prior to the COVID-19 pandemic, which temporarily altered the way CDOR was able to provide services to consumers. For example, CDOR offices were still open throughout the pandemic but providing in-person services on a limited basis. As a result, CDOR scaled up virtual service delivery to meet the needs of consumers. Part of the impact CDOR experienced was a decrease in applications and case closures. The objectives written for the 2020-2024 State Plan were based on the number of outcomes, which were affected by the temporary decrease in applications and case closures. As such, CDOR is revising some of the objectives, as provided in Description (o), to measure the percentage of outcomes, instead of number, to best reflect the progress made at achieving the

objectives below. The goals established in the 2020-2024 State Plan are continuing into the next program year.

2020-2024 State Plan Goals

Goal 1: Provide effective VR services with quality IPE developments consistent with workforce needs that lead to a career track with upward mobility offering sustainable living wages.

Objective 1.1: From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers that attain credentials by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on the number of consumers that attain credentials in program year July 1, 2020, through June 30, 2021.

Objective 1.1 Progress - Baseline Established: The baseline for this objective has been established in Fall 2021 through the close collaboration of CDOR and RSA. Between July 1, 2020, and June 30, 2021, there were 1,550 consumers who attained credentials.

Objective 1.2: From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers that achieve measurable skills gains by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on the number of consumers that achieve measurable skills gains in program year July 1, 2020, through June 30, 2021.

Objective 1.2 Progress - Baseline Established and On Track to Achieve: The baseline for this objective has been established in Fall 2021 through the close collaboration of CDOR and RSA. Between July 1, 2020, and June 30, 2021, there was a total of 7,893 consumers who achieved measurable skill gains. Between July 1, 2021, and September 30, 2021, 1,640 consumers achieved measurable skill gains. The CDOR is on track to achieve this goal and will be able to achieve it by the end of the State Plan period, June 30, 2024.

Objective 1.3: From July 1, 2020, through June 30, 2024, CDOR will increase consumer wages at case closure by 40 percent from the baseline (an average of 10 percent each year). The baseline will be based on average hourly wages for consumers in program year July 1, 2019, through June 30, 2020.

Objective 1.3 Progress - Partially Achieved: For July 1, 2020, through June 30, 2021, the average hourly wage at case closure was $17.99 which was below the State Plan goal of at least $18.20 hourly wage (or a 10 percent increase from the baseline of $16.55). The State Plan goal for this objective was set to an average hourly wage of at least $19.86 between July 1, 2021, through June 30, 2022, which is a 20 percent increase from the baseline. Thus far, the average hourly wage at case closure was $18.24 in the first quarter (July 1, 2021, through September 30, 2021).

Strategies that lead to the partial achievement of the goal include:

- The CDOR completed and shared with each district an analysis of the top 25 in-demand occupations using labor market information for their county or area. The districts identified goals and strategies to align the consumer's IPE vocational goal development with in-demand occupations in each district.
- Identified and provided enhanced or expanded supports to remove employment barriers at the beginning of IPE development and throughout planning.

Goal 2: Develop innovative approaches to support an increase in obtaining and sustaining employment for all consumers including those with the most significant barriers to employment.

Objective 2.1: From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers in unsubsidized employment during the second quarter after program exit by 15

percent from the baseline (an average of 5 percent each year). The baseline year will be based on the number of consumers in unsubsidized employment during the second quarter after program exit in program year July 1, 2020, through June 30, 2021.

Objective 2.1 Progress - Baseline Established: The baseline for this objective was established in Fall 2021 through the close collaboration of CDOR and RSA. Between July 1, 2020, and June 30, 2021, there was a total of 9,026 consumers employed two quarters after program exit.

Objective 2.2: From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers in unsubsidized employment during the fourth quarter after program exit by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on the number of consumers in unsubsidized employment during the fourth quarter after program exit in program year July 1, 2020, through June 30, 2021.

Objective 2.2 Progress - Baseline Established: The baseline for this objective was established in Fall 2021 through the close collaboration of CDOR and RSA. Between July 1, 2020, and June 30, 2021, there was a total of 8,925 consumers employed four quarters after program exit.

Strategies that lead to the partial achievement of the goal include:

- Utilized technology improvements, innovative and new practices, and streamlined processes that supported effective caseload management and enhance positive customer experiences.
- Partnered with local education agencies, post-secondary education and training programs, state and county-level programs and services, and community-based organizations to facilitate and develop wraparound supports that helped consumers maintain successful employment.

Goal 3: Improve systems alignment, coordination, and integration with partners to create a pathway toward successful employment outcomes for Californians with disabilities, including individuals with the most significant disabilities, with priorities focusing on individuals with behavioral health disabilities, students with disabilities, transition-age foster youth with disabilities, individuals with ID/DD, and justice-involved individuals with disabilities.

Objective 3.1: From July 1, 2020, through June 30, 2024, CDOR will decrease the number of cases closed other than successfully employed by 12 percent from the baseline (an average of 3 percent each year) for consumers who have behavioral health disabilities. The baseline year will be based on case closure rates in program year July 1, 2019, through June 30, 2020.

Objective 3.1 Progress - On Track to Achieve: For July 1, 2020, through June 30, 2021, 4,862 cases were closed other than successfully employed for behavioral health consumers which was below the State Plan Goal of less than 5,611 behavioral health cases closed other (or a 3 percent decrease from the baseline of 5,785 behavioral health cases closed other). The State Plan Goal for this objective was set to less than 5,438 behavioral health cases closed other between July 1, 2021, through June 30, 2022, which is a 6 percent decrease from the baseline. Thus far, 1,287 behavioral health cases have closed as other than successfully employed in the first quarter (July 1, 2021, through September 30, 2021). The CDOR is on track to achieve this goal and will be able to achieve it by the end of the State Plan period, June 30, 2024.

Objective 3.2: From July 1, 2020, through June 30, 2024, CDOR will increase the number of eligible and potentially eligible students with disabilities that receive work-based learning experiences by 20 percent from the baseline (an average of 5 percent each year). The baseline will be based on the number of students with disabilities that received work- based learning experiences in program year July 1, 2019, through June 30, 2020.

Objective 3.2 Progress - Partially Achieved: For July 1, 2020, through June 30, 2021, 7,002 students received work-based learning experiences which was below the State Plan Goal of

19,982 students (or a 5 percent increase from the baseline 19,030 students). The State Plan goal for this objective was set to 20,933 students receiving work-based learning experiences between July 1, 2021, through June 30, 2022, which is a 10 percent increase from the baseline. Thus far, 1,801 students have received work-based learning experiences in the first quarter (July 1, 2021, through September 30, 2021).

Objective 3.3: From July 1, 2020, through June 30, 2024, CDOR will decrease the number of cases closed other than successfully employed by 12 percent from the baseline (an average of 3 percent each year) for consumers who are transition age foster youth. The baseline year will be based on case closure rates in program year July 1, 2019, through June 30, 2020.

Objective 3.3 Progress - On Track To Achieve: For July 1, 2020, through June 30, 2021, 133 cases were closed other than successfully employed for transitional foster youths which was below the State Plan Goal of less than 264 cases closed other (or a 3 percent decrease from the baseline of 272 cases closed other). The State Plan Goal for this objective was set to less than 256 transitional age foster youth cases closed as other between July 1, 2021, through June 30, 2022, which is a 6 percent decrease from the baseline. Thus far, 39 transitional age foster youth cases have closed as other than successfully employed in the first quarter (July 1, 2021, through September 30, 2021). The CDOR is on track to achieve this goal and will be able to achieve it by the end of the State Plan period, June 30, 2024.

Objective 3.4: From July 1, 2021, through June 30, 2024, CDOR will increase the number of individuals with disabilities who leave SMW employment and apply for CDOR services to explore competitive integrated employment by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on the number of individuals with disabilities that choose to leave SMW employment and apply for CDOR services to explore competitive integrated employment in program year July 1, 2020, through June 30, 2021.

Objective 3.4 Progress - Baseline Established and On Track to Achieve: The baseline for this objective was established between July 1, 2020, through June 30, 2021, in which there was a total of 178 applications received from individuals who left subminimum wage employment. Between July 1, 2021, through June 30, 2022, the goal for this set to at least 187 applications from individuals who left subminimum wage employment, which is a 5 percent increase from the baseline. Thus far, 93 applications have been received in the first quarter (July 1, 2021, through September 30, 2021). The CDOR is on track to achieve this goal and will be able to achieve it by the end of the State Plan period, June 30, 2024.

Objective 3.5: From July 1, 2021, through June 30, 2024, CDOR will increase the number of individuals with disabilities who choose to leave SMW employment and achieve competitive integrated employment at CDOR by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on the number of individuals with disabilities who choose to leave SMW employment and achieve competitive integrated employment at CDOR in program year July 1, 2020, through June 30, 2021.

Objective 3.5 Progress - Baseline Established and On Track to Achieve: The baseline for this objective was established between July 1, 2020, through June 30, 2021, in which there was a total of 68 cases closed as successfully employed for individuals who left SMW employment. Between July 1, 2021, through June 30, 2022, the goal for this set to at least 71 successful case closures for individuals who left SMW employment, which is a 5 percent increase from the baseline. Thus far, 20 applications have been received in the first quarter (July 1, 2021, through September 30, 2021). The CDOR is on track to achieve this goal and will be able to achieve it by the end of the State Plan period, June 30, 2024.

Objective 3.6: From July 1, 2020, through June 30, 2024, CDOR will decrease the number of cases closed other than successfully employed by 12 percent from the baseline (an average of 3

percent each year) for justice-involved consumers. The baseline year will be based on case closure rates for the program year July 1, 2019, through June 30, 2020.

Objective 3.6 Progress - On Track To Achieve: For July 1, 2020, through June 30, 2021, 2,698 cases were closed other than successfully employed for justice-involved consumers which was below the State Plan goal of less than 2,944 cases closed other (or a 3 percent decrease from the baseline of 3,035 cases closed other). The goal for this objective was set to less than 2,853 justice-involved consumers cases closed as other than successfully employed between July 1, 2021, through June 30, 2022, which is a 6 percent decrease from the baseline. So far, 636 justice-involved consumers cases have closed as other than successfully employed in the first quarter (July 1, 2021, through September 30, 2021). The CDOR is on track to achieve this goal and will be able to achieve it by the end of the State Plan period, June 30, 2024.

Strategies that lead to the partial achievement of the goal include:

- The CDOR is currently working on a pilot project in partnership with CDCR to support the successful transition from prison to employment for individuals with disabilities. Pending outcomes from the pilot, CDOR and CDCR will draft and finalize the MOU to support this goal.
- The CDOR is partnering with AJCCs to help mutual consumers access training from Title II Adult Education that support the labor market demands of the state, as outlined by the Governor.
- The CDOR has nine contracts with local workforce development boards throughout California to provide STEPS to provide students with disabilities with work experience.
- The CDOR has been partnering with to provide paid work experience for students with disabilities to receive meaningful and transferable work experience in their local communities.

Goal 4: Meet business talent needs by preparing consumers for in-demand jobs using local and regional labor market information.

Objective 4.1: From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers that obtain apprenticeships by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on the number of consumers that obtain apprenticeships in program year July 1, 2020, through June 30, 2021.

Objective 4.1 Progress - Baseline Established and On Track to Achieve: The baseline for this objective was established between July 1, 2020, through June 30, 2021, in which there was a total of 423 consumers who obtained apprenticeships. Between July 1, 2021, through June 30, 2022, the goal for this set to at least 444 consumers who obtained apprenticeships, which is a 5% increase from the baseline. Thus far, 382 consumers have obtained apprenticeships in the first quarter (July 1, 2021, through September 30, 2021). The CDOR is on track to achieve this goal and will be able to achieve it by the end of the State Plan period, June 30, 2024.

Objective 4.2: From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers that obtain paid work experience by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on number of consumers that obtain paid work experience in program year July 1, 2020, through June 30, 2021.

Objective 4.2 Progress - Baseline Established and On Track to Achieve: The baseline for this objective was established between July 1, 2020, through June 30, 2021, in which there was a total of 5,560 consumers who obtained paid work experience. Between July 1, 2021, through June 30, 2022, the goal for this set to at least 5,838 consumers who obtained paid work experience, which is a 5 percent increase from the baseline. Thus far, 1,830 consumers have obtained paid work experience in the first quarter (July 1, 2021, through September 30,

2021). The CDOR is on track to achieve this goal and will be able to achieve it by the end of the State Plan period, June 30, 2024.

Objective 4.3: From July 1, 2021, through June 30, 2024, CDOR will increase the number of consumers that are co-enrolled in AJCCs by 15 percent from the baseline (an average of 5 percent each year). The baseline year will be based on number of consumers that are co-enrolled in AJCCs in program year July 1, 2020, through June 30, 2021.

Objective 4.3 Progress - Baseline Established and On Track to Achieve: The baseline for this objective was established between July 1, 2020, through June 30, 2021, in which there was a total of 6,537 consumers who are co-enrolled in AJCCs. Between July 1, 2021, through June 30, 2022, the goal for this set to at least 6,864 consumers who are co-enrolled in AJCCs, which is a 5 percent increase from the baseline. Thus far, 1,636 consumers are co-enrolled in AJCCs in the first quarter (July 1, 2021, through September 30, 2021). The CDOR is on track to achieve this goal and will be able to achieve it by the end of the State Plan period, June 30, 2024.

Strategies that led to the partial achievement of the goal:

- Engaged the workforce development system and the business community via effective outreach, relationship, and partnership building. Maintained regular CDOR participation at each of the 14 Regional Planning Units and on each local workforce development board.
- Explored and informed CDOR counselors and consumers of local opportunities to obtain non-degree credentials, including certificates, industry certifications, apprenticeship certificates, and occupational licenses with CTE, workforce, and businesses to build an inclusive and skilled future workforce.
- Emphasized and supported increased earn-and-learn opportunities for consumers including on-the-job training (OJT), paid work experiences, internships, and apprenticeships with businesses.

Goal 5: Build a direct pathway between employers and workers with disabilities including developing innovative ways to engage businesses.

Objective 5.1: From July 1, 2020, through June 30, 2024, CDOR will increase the number of business relationships by 20 percent from the baseline (an average of 5 percent each year). The baseline year will be based on business relationships established in program year July 1, 2019, through June 30, 2020. Service to a business is when CDOR successfully employs a consumer at a new business.

Objective 5.1 Progress - On Track to Achieve: For July 1, 2020, through June 30, 2021, 2,653 new business relationships formed which was below the State Plan Goal of at least 3,165 new business relationships (or a 5 percent increase from the baseline of 3,014 business relationships). The State Plan Goal for this objective was set to at least 3,315 new business relationships between July 1, 2021, through June 30, 2022, which is a 10 percent increase from the baseline. Thus far, there have been 282 new business relationships in the first quarter (July 1, 2021, through September 30, 2021). The CDOR is on track to achieve this goal and will be able to achieve it by the end of the State Plan period, June 30, 2024.

Objective 5.2: From July 1, 2020, through June 30, 2024, CDOR will provide at least 60 disability access, disability accommodations, or disability awareness trainings to businesses throughout the state.

Objective 5.2 Progress - Achieved: For July 1, 2020, through June 30, 2021, 171 trainings were completed which was above the State Plan goal of at least 60 trainings completed. The State Plan goal for this objective was set to at least 60 trainings completed between July 1, 2021,

through June 30, 2022. Thus far, 17 trainings have been completed in the first quarter (July 1, 2021, through September 30, 2021).

Strategies that lead to the partial achievement of the goal include:

- The CDOR established a single point of contact in each of the fourteen CDOR districts for AJCC business services staff and employers requesting assistance to find and develop qualified talent, including individuals with disabilities.
- The CDOR is working with the EDD and CWDB on their High Roads Training Partnerships (HRTP) to promote the inclusion of individuals with disabilities in the Partnerships. The purpose of HRTP is to model partnership strategies for the state. The HRTP model incorporates industry partnerships that deliver equity, sustainability, and job quality.
- Informed business partners on hiring incentives and resources (e.g., Work Opportunity Tax Credit, Talent Acquisition Portal, Disability Awareness training, the AT network, and CDOR Business Based Services) to support businesses employing, supporting, retaining, and promoting qualified talent with disabilities.

B. DESCRIBE THE FACTORS THAT IMPEDED THE ACHIEVEMENT OF THE GOALS AND PRIORITIES

Since CDOR is currently less than halfway through the 2020-2024 date range that is covered by the current State Plan, several goals are partially achieved. For accurate tracking of progress and ensuring the goals are measurable, CDOR had included a baseline period in several of the goals. The baseline for four of the objectives was recently established and CDOR has proposed a modification in description o. State Strategies, so that CDOR is able to track its efforts in a more comprehensive manner.

Goal 1, Objective 1.3

The COVID-19 pandemic affected the employment status of several consumers and the severely affected the availability of jobs as well as training and internship opportunities for CDOR consumers. Because of these factors, CDOR has partially achieved the objective of increasing consumer wages to the number that was established when the State Plan went into effect in 2020.

Goal 3, Objective 3.2

Due to an interruption in the availability of some services in 2020 and 2021, such as CRPs and businesses being closed because of the COVID-19 pandemic, CDOR was unable to fully meet the increase in work-based learning experiences established in this objective that was estimated when the State Plan went into effect in 2020.

2. AN EVALUATION OF THE EXTENT TO WHICH THE SUPPORTED EMPLOYMENT PROGRAM GOALS DESCRIBED IN THE SUPPORTED EMPLOYMENT SUPPLEMENT FOR THE MOST RECENT PROGRAM YEAR WERE ACHIEVED. THE EVALUATION MUST:

A. IDENTIFY THE STRATEGIES THAT CONTRIBUTED TO THE ACHIEVEMENT OF THE GOALS

The Supported Employment goals are included within the VR goals – refer to the response for description (p)(1)(A).

B. DESCRIBE THE FACTORS THAT IMPEDED THE ACHIEVEMENT OF THE GOALS AND PRIORITIES

The Supported Employment goals are included within the VR goals – refer to the response for description (p)(1)(B).

3. THE VR PROGRAM'S PERFORMANCE ON THE PERFORMANCE ACCOUNTABILITY INDICATORS UNDER SECTION 116 OF WIOA

The CDOR has reported a 28.2 percent Measurable Skill Gains rate for Program Year 2019, and a 40.4 percent rate for Program Year 2020.

This percentage increase is connected in part to additional focus on staff training regarding common performance measures and processes for data collection and recording, as well as a shift in manual data entry practices done to comply with updated RSA-911 specifications put into effect July 1, 2020.

Performance measures one through four and expected performance rates will be negotiated with RSA for Program Years 2022 and 2023.

WIOA Performance Indicators	2020
Measurable Skill Gains Rate	40.4%
Employment Rate - 2nd Quarter After Exit	46.5%
Median Earnings - 2nd Quarter After Exit	$5,807
Employment Rate - 4th Quarter After Exit	37.8%
Credential Attainment Rate	23.6%

Performance on the Standards and Indicators

Strategies Contributing to the Successful Passing of Performance Indicators

The CDOR has put into practice several strategies to ensure the passing of common performance measure five, Measurable Skill Gains, including but not limited to the following:

- Training and technical assistance to VR staff, including management and subject matter experts.
- Quarterly monitoring through data analysis and dashboard development.
- Case service record review by Team Managers, at least annually.
- Collaboration with partners, including third–party cooperative programs, schools and school staff, and other educational programs.

Factors Limiting the Successful Passing of Performance Indicators

Performance measures one through four and expected performance rates will be negotiated with RSA for Program Years 2022 and 2023.

Additionally, CDOR is engaged in local partnerships with community partners to help provide VR services to consumers. These partners included third–party cooperative programs, CRPs, and ISPs who will contribute to or support consumers' employment outcomes.

4. HOW THE FUNDS RESERVED FOR INNOVATION AND EXPANSION (I&E) ACTIVITIES WERE UTILIZED

VR Connections Portal: The CDOR team rolled out the first phase of the VR Connections Portal in January 2021 and has been offering increased functionality to staff, vendors, and consumers in subsequent releases. The project employs a web-based portal to enhance collaboration,

business processes, and service delivery between CDOR staff, consumers, and vendors (including service providers, contractors, and suppliers). The first stage of this project will focus on vendors and will later include consumers. The use of the portal is resulting in reduced administrative burden on CDOR staff, enabling them to focus more on serving consumers leading to greater employment opportunities, independence, and equality.

Summer Training and Employment Program for Students (STEPS): The intent of the contract is to provide students with disabilities work experience job training that is aligned with the employment needs of business partners as defined by the Local Workforce Development Board in each participating region. The CDOR has nine contracts with local workforce development boards throughout California to find students with disabilities employment opportunities throughout the state.

Automated Phone Systems: The CDOR had planned to utilize an automated phone system in local offices so that interested individuals and consumers could choose to navigate through a phone tree, self-selecting their reason for calling and potentially having their reason for calling quickly addressed through the phone system. This effort is currently on hold because of shifting priorities due to the COVID-19 pandemic. The CDOR has implemented several new technological changes in the way the department operate to provide consumers and staff options to work and access services remotely, such as Microsoft Teams and Zoom calls. With these changes, CDOR is reevaluating the best way forward for the automated phone system and electronic forms efforts.

State Rehabilitation Council

Section 110 funds were used to support SRC administrative costs. The SRC meets at least eight times a year as a full council or for executive planning. The SRC is a partner with CDOR in major programs, policies, and projects including the State Plan, CSA, and CSS.

Q. QUALITY, SCOPE, AND EXTENT OF SUPPORTED EMPLOYMENT SERVICES

1. THE QUALITY, SCOPE, AND EXTENT OF SUPPORTED EMPLOYMENT SERVICES TO BE PROVIDED TO INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES, INCLUDING YOUTH WITH THE MOST SIGNIFICANT DISABILITIES

Quality, Scope and Extent of Supported Employment Services.

The CDOR Supported Employment Program provides Supported Employment services for individuals with the most significant disabilities, including youth with the most significant disabilities, to enable them to work toward and achieve an employment outcome of supported employment in competitive integrated employment. These services support opportunities for competitive integrated employment (including customized employment) that is individualized, and customized, consistent with the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual, including with ongoing support services for individuals with the most significant disabilities.

The CDOR conducts the following activities with funds allotted for its Supported Employment Program:

Provides supported employment services and extended services for youth with disabilities.

- Coordinates CDOR planned services, and accommodations and supports, with other program Plans, such as the IEP (transition services) and Individual Program Plan (developmental services).
- Coordinates with behavioral health programs to encourage competitive integrated employment as part of the treatment plan.

- Leverages other public and private funds to increase resources for extended services and expand supported employment opportunities.

The CDOR reserves and expends 50 percent of its allotment for the provision of supported employment services, including extended services to youth with the most significant disabilities for up to 4 years or age 25, whichever comes first (34 CFR 363.22).

The following information outlines how CDOR monitors the quality of the services consumers receive, scope of services provided, extent of supported employment services, and timing of transition to extended services. Additional information on extended services for supported employment is identified in the response for Description (f) – Arrangements and Cooperative Agreements for the Provision of Supported Employment Services.

Quality of Supported Employment Services

The CDOR provides ongoing services from the point of job placement until transition to extended services. Such services are mostly provided to consumers by CRPs and partner agencies. In areas where CRPs are not available, or an individual has needs beyond those that can be met by a CRP, CDOR may identify natural supports and/or alternative service providers.

CRPs providing supported employment services follow guidelines provided by CDOR's CRD Section. Generally, CDOR follows DDS's policies set forth in the California Welfare and Institutions Code to ensure continuity of services to mutual consumers. The CDOR guidelines require CRPs to submit timely reports to VR Counselors as well as providing efficient services to consumers. The CDOR CRD Specialists, who work regionally in California, assist local CDOR districts and CRPs with technical assistance and identify training needs to support system alignment. The CRD Specialists additionally review Commission on Accreditation of Rehabilitation Facilities accreditation of CRPs and conduct ongoing assessment and evaluation of consumer services.

Locally, each district has nominated at least two district Supported Employment Program Liaisons to assist in sharing information and training district staff.

Scope of Supported Employment Services

The VR process for assessment for determining eligibility and priority category, and development of an IPE, including supported employment, is the same used for all consumers when establishing eligibility and an eligible individual's Priority Category, when CDOR is under an Order of Selection. An individual receiving supported employment services must be in Priority Category One.

The VR services for a consumer begin with a comprehensive assessment to identify 'primary employment factors,' including their unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual. The VR Counselor will work with an individual with a most significant disability, including a youth with a most significant disability, to determine that supported employment services are required to achieve a competitive integrated employment outcome. The IPE will identify a Supported Employment Plan and supported employment services including customized employment and extended services.

The CDOR provides the full scope of supported employment services to individuals who:

- Are determined eligible with the most significant disabilities;
- Have not achieved competitive integrated employment, or it has been interrupted or intermittent;

- Require intensive supported employment services and extended services to maintain employment; and
- Have a reasonable expectation that a source of extended services will be available at the time of transition to extended services.

The Plan Development activities, including customized employment activities, may include but are not limited to the following:

- A general meeting to review the supported employment job placement parameters used in developing person-centered strategies to focus on the individual's strengths to achieve competitive integrated employment.
- A review of school transition services including CDOR Student Services and postsecondary transition activities that may include competitive integrated employment and/or postsecondary education and training.
- Coordination with regional centers to share information about community activities, hobbies, or other pre-vocational foundational skill development or adult work experience activities.
- An evaluation of labor market and identification of suitable employment sites; employer contacts; job seeking skills training; work site assessment; task analysis; evaluation and recommendation for a job coaching plan.
- Working with families and individuals who know the person best to discover their strengths, interests, and abilities.

Supported employment services begin at the point of placement and may include, but are not limited to, the following:

- Job coaching support services in an individual's placement if supports are needed to maintain the consumer's employment, including training, destination training, advocacy, and job loss intervention.
- As needed, coordinated benefits planning discussions with the consumer, CDOR Work Incentive Planners, and other third parties to identify appropriate work incentive programs as well as potential sources for ongoing support.
- Discrete post–employment services, if needed to support and maintain employment and are not available through extended services.
- Extended Services for youth with the most significant disabilities up to four years or age 25, whichever comes first.
- Counseling and guidance, including information and referral, required under WIOA Section 511 or upon request with eligible individuals earning subminimum wages or in segregated work settings regarding opportunities for competitive integrated employment and available employment services and supports.

Extent of Supported Employment Services

Supported employment services are ongoing support services needed to support and maintain an individual with a most significant disability, including youth. Supported Employment services are:

- Organized and made available, singly or in combination, in such a way as to assist an eligible individual to achieve competitive integrated employment;

- Based on a determination of the needs of an eligible individual, as specified in an IPE;
- Provided by CDOR for a period of time not to exceed 24 months, unless under special circumstances the eligible individual and the VR Counselor jointly agree to extend the time to achieve the employment outcome identified in the IPE; and,
- Following transition, as post–employment services that are unavailable from an extended services provider and that are necessary to maintain or regain the job placement or advance in employment.

Use of the Required 50% Reserve of Supported Employment Funds to Provide Extended Services to Youth with the Most Significant Disabilities

While the Lanterman Developmental Disabilities Services Act (Welfare and Institutions Code, section 4500 et seq.) funding is a primary source of extended services for individuals with ID/DD in California, Regional Center work services typically begin at age 22.

Per Title 29, USC section 795h, CDOR will use the 50 percent reserve of supported employment funds for supported employment services and extended services for youth with the most significant disabilities. These funds may provide additional opportunities for youth with most significant disabilities to receive extended services after completing up to 24 months of Supported Employment services, or longer if there are extenuating circumstances that require more time. When these funds are exhausted, CDOR will utilize Title I funds as necessary to meet the needs of consumers eligible for Supported Employment services.

2. THE TIMING OF TRANSITION TO EXTENDED SERVICES

Once a consumer has maintained stability on the job for at least 60 days, the funding for and provision of job coaching transitions to a source of extended services and extended service provider. The VR Counselor continues to track the consumer's progress and job stability during the transition period. If the consumer maintains job stabilization for 90 days after transition to extended services, the record of services is Closed–Rehabilitated.

Transition to extended service providers is essential to maintain consistency and support for consumers receiving supported employment services. The CDOR works to identify funding sources for extended services, including behavioral health agencies or other sources. The CDOR additionally collaborates with extended service providers, and identifies sources of extended services, including natural supports which are vital for the long-term success of the consumer. Sources of extended services for a consumer eligible for supported employment services include public resources such as the DDS, county behavioral health Entities (potentially using Mental Health Services Act (MHSA) funds); using statewide excess MHSA funds; Medi-Cal funding; private resources such as trust funds, private non-profits, religious or community organizations, and family; and natural supports to ensure the consumer receiving supported employment services has greater success in the work environment.

Youth with the Most Significant Disabilities

The CDOR will provide extended services to youth with the most significant disabilities when other extended services are unavailable, as appropriate, for a period not to exceed four years, or at such time that a youth reaches age 25 and no longer meets the definition of a youth with a disability under 34 C.F.R. 361.5(c)(58).

Under the Lanterman Developmental Disabilities Services Act (Welfare. & Institutions Code, § 4500 et seq.), California established a commitment to provide services and supports to individuals with ID/DD throughout their lifetime. Robust services and supports are provided through a combination of federal, state, county, and local government services, private businesses, support groups, and volunteers. The CDOR works closely with the DDS to leverage Medicaid funds for habilitation services for persons with ID/DD, including the provision of

“extended services” to help an individual with a most significant disability to maintain employment after CDOR record of services is closed.

Toward this end, CDOR will continue to refer youth with the most significant disabilities to extended services currently funded by the DDS Regional Centers upon CDOR record of services closure or when placed on a wait list, as appropriate. CDOR will additionally provide extended services to youth with the most significant disabilities who do not qualify for services funded by a Regional Center prior to age 22 or are unable to receive extended services from another funding source.

VOCATIONAL REHABILITATION (COMBINED OR GENERAL) CERTIFICATIONS

1. THE (ENTER THE NAME OF DESIGNATED STATE AGENCY OR DESIGNATED STATE UNIT, AS APPROPRIATE,) IS AUTHORIZED TO SUBMIT THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN UNDER TITLE I OF THE REHABILITATION ACT OF 1973 (REHABILITATION ACT), AS AMENDED BY WIOA[14], AND ITS SUPPLEMENT UNDER TITLE VI OF THE REHABILITATION ACT[15];

ENTER THE NAME OF DESIGNATED STATE AGENCY OR DESIGNATED STATE UNIT, AS APPROPRIATE

California Department of Rehabilitation

2. AS A CONDITION FOR THE RECEIPT OF FEDERAL FUNDS UNDER TITLE I OF THE REHABILITATION ACT FOR THE PROVISION OF VR SERVICES, THE (ENTER THE NAME OF DESIGNATED STATE AGENCY)[16] AGREES TO OPERATE AND ADMINISTER THE STATE VR SERVICES PROGRAM IN ACCORDANCE WITH THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN[17] , THE REHABILITATION ACT, AND ALL APPLICABLE REGULATIONS[18] , POLICIES, AND PROCEDURES ESTABLISHED BY THE SECRETARY OF EDUCATION. FUNDS MADE AVAILABLE UNDER SECTION 111 OF THE REHABILITATION ACT ARE USED SOLELY FOR THE PROVISION OF VR SERVICES AND THE ADMINISTRATION OF THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN;

ENTER THE NAME OF DESIGNATED STATE AGENCY

California Department of Rehabilitation

3. AS A CONDITION FOR THE RECEIPT OF FEDERAL FUNDS UNDER TITLE VI OF THE REHABILITATION ACT FOR SUPPORTED EMPLOYMENT SERVICES, THE DESIGNATED STATE AGENCY AGREES TO OPERATE AND ADMINISTER THE STATE SUPPORTED EMPLOYMENT SERVICES PROGRAM IN ACCORDANCE WITH THE SUPPLEMENT TO THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN[19] , THE REHABILITATION ACT, AND ALL APPLICABLE REGULATIONS[20] , POLICIES, AND PROCEDURES ESTABLISHED BY THE SECRETARY OF EDUCATION. FUNDS MADE AVAILABLE UNDER TITLE VI ARE USED SOLELY FOR THE PROVISION OF SUPPORTED EMPLOYMENT SERVICES AND THE ADMINISTRATION OF THE SUPPLEMENT TO THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN;

4. THE DESIGNATED STATE AGENCY AND/OR THE DESIGNATED STATE UNIT HAS THE AUTHORITY UNDER STATE LAW TO PERFORM THE FUNCTIONS OF THE STATE REGARDING THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN AND ITS SUPPLEMENT;

5. THE STATE LEGALLY MAY CARRY OUT EACH PROVISION OF THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN AND ITS SUPPLEMENT.

6. ALL PROVISIONS OF THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN AND ITS SUPPLEMENT ARE CONSISTENT WITH STATE LAW.

7. THE (ENTER THE NAME OF AUTHORIZED REPRESENTATIVE BELOW) HAS THE AUTHORITY UNDER STATE LAW TO RECEIVE, HOLD, AND DISBURSE FEDERAL FUNDS MADE AVAILABLE UNDER THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN AND ITS SUPPLEMENT;

ENTER THE NAME OF AUTHORIZED REPRESENTATIVE BELOW

Joe Xavier

8. THE (ENTER THE TITLE OF AUTHORIZED REPRESENTATIVE BELOW) HAS THE AUTHORITY TO SUBMIT THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN AND THE SUPPLEMENT FOR SUPPORTED EMPLOYMENT SERVICES;

ENTER THE TITLE OF AUTHORIZED REPRESENTATIVE BELOW

Director

9. THE AGENCY THAT SUBMITS THE VR SERVICES PORTION OF THE UNIFIED OR COMBINED STATE PLAN AND ITS SUPPLEMENT HAS ADOPTED OR OTHERWISE FORMALLY APPROVED THE PLAN AND ITS SUPPLEMENT.

FOOTNOTES

CERTIFICATION SIGNATURE

Signatory information	Enter Signatory information in this column
Name of Signatory	Joe Xavier
Title of Signatory	Director
Date Signed	3-14-2022

ASSURANCES

The State Plan must include	Include
1. Public Comment on Policies and Procedures: The designated State agency assures it will comply with all statutory and regulatory requirements for public participation in the VR Services Portion of the Unified or Combined State Plan, as required by section 101(a)(16)(A) of the Rehabilitation Act.	
2. Submission of the VR services portion of the Unified or Combined State Plan and Its Supplement: The designated State unit assures it will comply with all requirements pertaining to the submission and revisions of the VR services portion of the Unified or Combined State Plan and its supplement for the State Supported Employment Services program, as required by sections 101(a)(1), (22), (23), and 606(a) of the Rehabilitation Act; section 102 of WIOA in the case of the submission of a unified plan; section 103 of WIOA in the case of a submission of a Combined State Plan; 34 CFR 76.140.	

The State Plan must include	Include
3. The designated State agency or designated State unit, as appropriate, assures it will comply with the requirements related to:Administration of the VR services portion of the Unified or Combined State Plan:	
3.a. The establishment of the designated State agency and designated State unit, as required by section 101(a)(2) of the Rehabilitation Act	
3.b. The establishment of either a State independent commission or State Rehabilitation Council, as required by section 101(a)(21) of the Rehabilitation Act. The designated State agency or designated State unit, as applicable (A or B must be selected):	
3.b.(A) "is an independent State commission" (Yes/No)	No
3.b.(B) "has established a State Rehabilitation Council" (Yes/No)	Yes
3.c. Consultations regarding the administration of the VR services portion of the Unified or Combined State Plan, in accordance with section 101(a)(16)(B) of the Rehabilitation Act	
3.d. The financial participation by the State, or if the State so elects, by the State and local agencies, to provide the amount of the non-Federal share of the cost of carrying out the VR program in accordance with section 101(a)(3)	
3.e. The local administration of the VR services portion of the Unified or Combined State Plan, in accordance with section 101(a)(2)(A) of the Rehabilitation Act. Select yes or no, as appropriate, to identify if the designated State agency allows for the local administration of VR funds (Yes/No)	No
3.f. The shared funding and administration of joint programs, in accordance with section 101(a)(2)(A)(ii) of the Rehabilitation Act. Select yes or no, as appropriate, to identify if the designated State agency allows for the shared funding and administration of joint programs (Yes/No)	No
3.g. Statewideness and waivers of statewideness requirements, as set forth in section 101(a)(4) of the Rehabilitation Act. Is the designated State agency requesting or maintaining a waiver of statewideness for one or more services provided	Yes

The State Plan must include	Include
under the VR services portion of the Unified or Combined State Plan? (Yes/No) See Section 2 of this VR services portion of the Unified or Combined State Plan	
3.h. The descriptions for cooperation, collaboration, and coordination, as required by sections 101(a)(11) and (24)(B); and 606(b) of the Rehabilitation Act	
3.i. All required methods of administration, as required by section 101(a)(6) of the Rehabilitation Act	
3.j. The requirements for the comprehensive system of personnel development, as set forth in section 101(a)(7) of the Rehabilitation Act	
3.k. The compilation and submission to the Commissioner of statewide assessments, estimates, State goals and priorities, strategies, and progress reports, as appropriate, and as required by sections 101(a)(15), 105(c)(2), and 606(b)(8) of the Rehabilitation Act	
3.l. The reservation and use of a portion of the funds allotted to the State under section 110 of the Rehabilitation Act for the development and implementation of innovative approaches to expand and improve the provision of VR services to individuals with disabilities, particularly individuals with the most significant disabilities	
3.m. The submission of reports as required by section 101(a)(10) of the Rehabilitation Act	
4. Administration of the Provision of VR Services: The designated State agency, or designated State unit, as appropriate, assures that it will:	
4.a. Comply with all requirements regarding information and referral services in accordance with sections 101(a)(5)(D) and (20) of the Rehabilitation Act	
4.b. Impose no duration of residence requirement as part of determining an individual's eligibility for VR services or that excludes from services under the plan any individual who is present in the State in accordance with section 101(a)(12) of the Rehabilitation Act	
4.c. Provide the full range of services listed in section 103(a) of the Rehabilitation Act as appropriate, to all eligible individuals with	Yes

The State Plan must include	Include
disabilities in the State who apply for services in accordance with section 101(a)(5) of the Rehabilitation Act? (Yes/No)	
4.d. Determine whether comparable services and benefits are available to the individual in accordance with section 101(a)(8) of the Rehabilitation Act	
4.e. Comply with requirements regarding the provisions of informed choice for all applicants and eligible individuals in accordance with section 102(d) of the Rehabilitation Act	
4.f. Comply with requirements regarding the provisions of informed choice for all applicants and eligible individuals in accordance with section 102(d) of the Rehabilitation Act	
4.g. Provide vocational rehabilitation services to American Indians who are individuals with disabilities residing in the State, in accordance with section 101(a)(13) of the Rehabilitation Act	
4.h. Comply with the requirements for the conduct of semiannual or annual reviews, as appropriate, for individuals employed either in an extended employment setting in a community rehabilitation program or any other employment under section 14(c) of the Fair Labor Standards Act of 1938, as required by section 101(a)(14)of the Rehabilitation Act	
4.i. Meet the requirements in sections 101(a)(17) and 103(b)(2) of the Rehabilitation Act if the State elects to construct, under special circumstances, facilities for community rehabilitation programs	
4.j. With respect to students with disabilities, the State,	
4.j.i. Has developed and will implement,	
4.j.i.I. Strategies to address the needs identified in the assessments; and	
4.j.i.II. Strategies to achieve the goals and priorities identified by the State, to improve and expand vocational rehabilitation services for students with disabilities on a statewide basis; and	
4.j.ii. Has developed and will implement strategies to provide pre-employment transition services (sections 101(a)(15) and 101(a)(25))	

The State Plan must include	Include
5. Program Administration for the Supported Employment Title VI Supplement:	
5.a. The designated State unit assures that it will include in the VR services portion of the Unified or Combined State Plan all information required by section 606 of the Rehabilitation Act	
5.b. The designated State agency assures that it will submit reports in such form and in accordance with such procedures as the Commissioner may require and collects the information required by section 101(a)(10) of the Rehabilitation Act separately for individuals receiving supported employment services under title I and individuals receiving supported employment services under title VI of the Rehabilitation Act	
5.c. The designated state unit will coordinate activities with any other State agency that is functioning as an employment network under the Ticket to Work and Self-Sufficiency program under Section 1148 of the Social Security Act	
6. Financial Administration of the Supported Employment Program:	
6.a. The designated State agency assures that it will expend no more than 2.5 percent of the State's allotment under title VI for administrative costs of carrying out this program; and, the designated State agency or agencies will provide, directly or indirectly through public or private entities, non-Federal contributions in an amount that is not less than 10 percent of the costs of carrying out supported employment services provided to youth with the most significant disabilities with the funds reserved for such purpose under section 603(d) of the Rehabilitation Act, in accordance with section 606(b)(7)(G) and (H) of the Rehabilitation Act	
6.b. The designated State agency assures that it will use funds made available under title VI of the Rehabilitation Act only to provide supported employment services to individuals with the most significant disabilities, including extended services to youth with the most significant disabilities, who are eligible to receive such services; and, that such funds are used only to supplement and not supplant the funds provided under Title I of the Rehabilitation Act, when providing supported employment services specified in the	

The State Plan must include	Include
individualized plan for employment, in accordance with section 606(b)(7)(A) and (D), of the Rehabilitation Act	
7. Provision of Supported Employment Services:	Yes
7.a. The Designated State Agency Assures That it Will Provide Supported Employment Services as Defined in Section 7(39) of the Rehabilitation Act	
7.b. The designated State agency assures that:	
7.b.i. The comprehensive assessment of individuals with significant disabilities conducted under section 102(b)(1) of the Rehabilitation Act and funded under title I of the Rehabilitation Act includes consideration of supported employment as an appropriate employment outcome, in accordance with the requirements of section 606(b)(7)(B) of the Rehabilitation Act	
7.b.ii. An individualized plan for employment that meets the requirements of section 102(b) of the Rehabilitation Act, which is developed and updated with title I funds, in accordance with sections 102(b)(3)(F) and 606(b)(6)(C) and (E) of the Rehabilitation Act	

VOCATIONAL REHABILITATION PROGRAM PERFORMANCE INDICATORS

Performance Indicators	PY 2022 Expected Level	PY 2022 Negotiated Level	PY 2023 Expected Level	PY 2023 Negotiated Level
Employment (Second Quarter After Exit)	49.0%	49.0%	50.0%	50.0%
Employment (Fourth Quarter After Exit)	42.5%	42.5%	44.0%	44.0%
Median Earnings (Second Quarter After Exit)	$5,450	$5,450	$5,650	$5,650
Credential Attainment Rate	26.0%	26.0%	27.1%	27.1%
Measurable Skill Gains	40.7%	40.7%	42.0%	42.0%
Effectiveness in Serving Employers	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]	Not Applicable [1]

1

"Effectiveness in Serving Employers" is still being developed and this data will not be entered in the 2022 State Plan modifications.

VII. PROGRAM-SPECIFIC REQUIREMENTS FOR COMBINED STATE PLAN PARTNER PROGRAMS

PERFORMANCE INDICATOR APPENDIX

ALL WIOA CORE PROGRAMS

All WIOA Core Programs

Performance Indicators	PY 2020 Expected Level	PY 2020 Negotiated Level	PY 2021 Expected Level	PY 2021 Negotiated Level
Effectiveness in Serving Employers	Not Applicable[1]	Not Applicable[1]	Not Applicable[1]	Not Applicable[1]

[1] *"Effectiveness in Serving Employers" is still being piloted and this data will not be entered for 2020 State Plans.*

OTHER APPENDICES