



Agenda Packet

Governor
Edmund G. Brown Jr.

Chair
Mike Rossi

Executive Director
Tim Rainey

Wednesday, March 19, 2014
1:00 p.m. to 4:00 p.m.

Hilton Oakland Airport
Empire Room
One Hegenberger Road
Oakland, CA 94621
(510) 635-5000



**CALIFORNIA WORKFORCE INVESTMENT BOARD
GREEN COLAR JOBS COUNCIL**



MEETING NOTICE

**Wednesday, March 19, 2014
1:00 p.m. to 4:00 p.m.**

Tim Rainey
Executive Director

Michael Rossi
Chair

**Hilton Oakland Airport
Empire Room
One Hegenberger Road
Oakland, CA 94621
(510) 635-5000**

Edmund G. Brown, Jr.
Governor

**Alternate Meeting Location:
cityLAB - School of Arts and Architecture
Department of Architecture and Urban Design - University of California, Los Angeles
1317 Perloff Hall – Room B-215 Conference Room
Los Angeles, California 90095
(310) 794-6125**

To listen to the meeting, call 1-866-748-2780, passcode: 6132541

AGENDA

- 1. Welcome and Opening Remarks**
- 2. Chair and Executive Director Report**
- 3. Action Item**
 - a. [Approve the January 16, 2014 Meeting Summary](#)
- 4. Presentation**

Federal Recognition for Workforce Standards and Credentials in the Energy Efficient Sector
Benjamin Goldstein, U.S. Department of Energy (phone)
- 5. Discussion**
 - a. [Proposed Jobs and Workforce Development Program Elements for Carbon Reduction in California](#)
 - b. [Proposition 39 Citizens Oversight Board](#)
- 6. General Discussion/Partner Updates**
- 7. Public Comment**

Meeting conclusion time is an estimate; meeting may end earlier subject to completion of agenda items and/or approved motion to adjourn. In order for the State Board to provide an opportunity for interested parties to speak at the public meetings, public comment may be limited. Written comments provided to the Committee must be made available to the public, in compliance with the Bagley-Keene Open Meeting Act, §11125.1, with copies available in sufficient supply. Individuals who require accommodations for their disabilities (including interpreters and alternate formats) are requested to contact the California Workforce Investment Board staff at (916) 324-3425 at least ten days prior to the meeting. TTY line: (916) 324-6523. Please visit the California Workforce Investment Board website at <http://www.cwib.ca.gov> or contact Loren Shimanek at (916) 324-3425 for additional information. Meeting materials for the public will be available at the meeting location.

Item 1. Welcome and Opening Remarks

Item 2. Chair and Executive Director Report

Item 3. Action Item

- a. Approve the January 16, 2014 Meeting Summary

Green Collar Jobs Council
January 16, 2014
10:00 am – 1:00 pm
Meeting Summary

Council members/designees and advisors who were in attendance are listed below:

John Brauer – <i>California Federation of Labor</i>	Erik Emblem (advisor) - <i>Joint Committee on Energy and Environmental Policy</i>
Jerry Butkeiwicz – <i>San Diego Gas and Electric</i>	Imran Farooq – <i>Omnibus Group, LLC</i>
Strella Cervas (advisor) – <i>California Environmental Justice Alliance</i>	Diane Ravnik – <i>Department of Apprenticeship Standards</i>
Martha Diepenbrock (advisor) – <i>California Conservation Corps.</i>	Jeremy Smith – <i>California State Building and Construction Trades Council</i>
John DiStasio - <i>SMUD</i>	Dr. Carol Zabin (Chair) - <i>UC Berkeley Labor Center</i>
John Dunn (advisor) – <i>California Community Colleges</i>	

I. Introduction and Opening Remarks:

Dr. Carol Zabin welcomed Council members and public in attendance.

II. Chair/Executive Director Updates

Tim Rainey gave a brief update to the Council on the collaborative work with Community Colleges Chancellor's Office and the Governor's economic development agency, GoBiz. The "slingshot" initiative that has emerged from that collaborative work will sponsor regional partnerships that attempt to mitigate or resolve a regionally defined problem, such as long-term unemployment or employer skills needs.

III. Action Item: Approval of the November 13, 2013 Meeting Summary

The November 13, 2013 meeting summary was approved.

IV. Action Item: Proposed Jobs and Workforce Development Program Elements for Carbon Reduction Investments in California

The Council approved the *Proposed Jobs and Workforce Development Program Elements for Carbon Reduction Investments in California* document.

V. Discussion Items:

Members heard from two presenters who discussed topics related to the third program element: Providing Employment for Californians from Disadvantaged Communities.

- Ryan Briscoe Young from the Greenlining Institute presented information about the Greenhouse Gas Reduction Fund (GGRF), the state's three-year investment plan, and SB 535 requirements that 25 percent of GGRF allocations benefit disadvantaged communities and 10 percent of funds be spent within disadvantaged communities.
- John Faust from the Office of Environmental Health Hazard Assessment provided an overview of the CalEnviroScreen tool developed to identify California communities that are disproportionately burdened by environmental pollution and socioeconomic factors. Cal/EPA uses this tool to prioritize investments and will utilize the tool to identify disadvantaged communities that should be targeted for GGRF investments.

VI. General Discussion/Partner Updates

The council discussed implementation strategy for the *Program Elements* document. A Majority of members recommended that the document be shared with state agencies that are involved with the allocation of Proposition 39 funds. The most commonly suggested strategy was for Council members to engage with partners within their respective fields around the recommendations laid out in the *Program Elements* document. The Council agreed to continue to discuss implementation strategies at the next scheduled meeting.

Elisabeth Brinton will no longer be serving as a designee for John DiStasio. Ms. Brinton has accepted employment with another organization. Mr. DiStasio will attend meetings until another designee is announced.

VII. Public Comment

Public comment received:

Hector R. Uriate from PROTEUS Inc. provided public comments on the *Program Elements* document. Mr. Uriate asked the Council to consider his organization as a training partner willing to help with the documents implementation. Eddie Ahn from Brightline Defense Project commended the Council on the approval of the *Program Elements* document and suggested that the Council to reconsider the inclusion of a local hire percentage.

Meeting Adjourned

Item 4. Presentation

Federal Recognition for Workforce Standards and Credentials in the Energy Efficient Sector

Item 5. Discussion

- a. Proposed Jobs and Workforce Development Program Elements for Carbon Reduction in California
- b. Proposition 39 Citizens Oversight Board

Item 6. General Discussion/Partner Updates

Item 7. Public Comment

Proposed Jobs and Workforce Development Program Elements for Carbon Reduction Investments in California

Approved January 16, 2014 by the California Workforce Investment Board's Green Collar Jobs Council

INTRODUCTION

The purpose of this document is to propose a common approach to workforce development and job creation for California's multiple public investments in carbon reduction initiatives under the umbrella of AB 32, the 2006 Global Warming Solutions Act. California's energy efficiency, clean energy, and clean transportation programs currently invest several billion dollars each year in incentive programs, public works projects, and a variety of other contracts and subsidies. Ratepayer investments inject about \$1.3 billion dollars per year in programs designed to reduce energy use, Proposition 39 funds will provide \$2.5 billion over five years for energy efficiency and clean energy retrofits of schools, and auction revenues from the state's cap and trade program will generate hundreds of millions of dollars over time for investments to reduce greenhouse gas emissions.

While the primary purpose of these programs is to meet our energy and carbon reduction targets, these investments create and transform jobs and businesses in a variety of industries in California, particularly the energy, building and construction, and transportation industries. State agencies, utilities, and others responsible for these programs are therefore drivers of economic development and job creation, in addition to their primary role in implementing energy and environmental policy. This document proposes a common jobs and workforce development framework and specific program elements for California's carbon reduction public investment programs. These program elements can support a skilled workforce that performs the quality work necessary to accomplish the state's ambitious energy and environmental goals, while providing career-track jobs for California residents, including those from historically disadvantaged communities.

The Green Collar Jobs Council (GCJC) and the California Workforce Investment Board (CWIB) has extensive experience with effective and collaborative approaches to economic and workforce development. Along with their partners, they can provide expertise and resources to state energy and environmental agencies responsible for overseeing carbon reduction programs.

PROGRAM ELEMENTS: JOB GROWTH

1. Performance Goals and Data Tracking for Jobs

Issue

Public and ratepayer investments influence the demand for labor, i.e. the types of jobs that are created, but specific goals and related metrics for the job impacts of such investments are not always identified. Policymakers should consider the quantity and quality of jobs created, including wages, benefits and long-term career trajectories. This principle could be applied to all public and ratepayer investments to ensure that the jobs created result in middle-class careers. Policymakers should also enhance access for workers from disadvantaged communities to the entry-level jobs that are created. The current lack of clarity on jobs goals and how to measure them will impede a sound assessment of the trade-offs inherent in policy decisions.

Recommendation

Public and ratepayer investments should set explicit goals for the quantity and quality of jobs created and the demographic and geographic distribution of workers, particularly those in entry-level jobs, based on realistic investment and job projections. Performance metrics and job reporting requirements should be developed using a common cost-effective state-wide computerized job tracking and labor compliance system¹. These tracking systems can capture quantity and quality of jobs, as well as location of workers. Location can show the distribution of jobs across the state and, if linked to other data, illustrate the job impacts in disadvantaged communities. The Labor Agency should be assigned to coordinate the development of job goals and metrics and oversee the implementation of job tracking. Job goals and metrics should be aligned with state goals and targets for carbon reduction.

2. Contractor Standards and Worker Skill Certifications

Issue

Many of the jobs created through energy efficiency, clean energy and carbon reduction programs will be in the construction industry. These programs should meet the highest standard of quality control in order to maximize carbon reduction and the job benefits of the investments.

Recommendation

¹ Examples of existing products include LCP Tracker <http://www.lcptracker.com/> or Elation Systems <http://www.elationsys.com/elationsys/>

Public and ratepayer investments, along with leveraged funds, should explicitly include standards for participating contractors and minimum training and skill standards for workers. A clear tie to high-performing state-certified apprenticeship programs will help assure success in attaining desired carbon reduction goals. As appropriate, carbon reduction programs should coordinate with state-certified apprenticeship to assure specialized skill requirements are met. These should be identified by the Labor Agency, Division of Apprenticeship Standards, with input from the key trade associations who represent contractors eligible for this work as well as representatives from labor unions representing the affected workforce.

3. Providing Employment for Californians from Disadvantaged Communities

Issue

Public and ratepayer investments sometimes include the goal of training and employing disadvantaged workers such as veterans, youth and workers from communities that suffer disproportionately high unemployment, low educational attainment and other disadvantaged circumstances. Some municipalities and districts have project labor agreements that contain wage floors and local/targeted hire goals which have had success in providing access to career construction jobs for disadvantaged workers, but many do not.

Recommendation

State agencies should adopt agreements that establish wage floors, local/targeted hire and career pathways goals for programs and projects that receive public and ratepayer funds. Funds should require support for building training partnerships with local institutions that have a proven track record of placing disadvantaged workers in career-track jobs (such as community colleges, nonprofit organizations, labor management partnerships, state-certified apprenticeship programs, and high school career technical academies). The Labor Agency should help identify the best practice local/targeted hire policies and programs and incorporate them in statewide program design and implementation.

4. Training Investments, Performance Goals, and Data Tracking for Training

Issue

Public and ratepayer investments with job creation goals sometimes require that a portion of the funding be dedicated to workforce training but do not always provide guidance or performance requirements. Recent experiences with ARRA-funded California green jobs training initiatives showed that, while many programs had low job placement rates, those programs with strong pre-existing links with employers and state-certified apprenticeship

programs were very successful in placing trainees in career-track jobs.² The 2011 California Workforce Education and Training Needs Assessment³ carried out by UC Berkeley, as well as other studies, document the importance of employer commitment and effective pipelines into career-track jobs extensively.

Recommendation

If public and ratepayer investments fund job training, the allocation of these funds should align with the rest of the state's workforce development investments including the state-certified apprenticeship system and employer-driven community college programs, and follow the guidelines laid out here and in AB 554⁴. This will help improve the job placement rate for training graduates, and avoid unnecessary duplication and competition among training programs. Funds should be available for program development as well as for actual training. Training investments should also support local/targeted hire goals by preparing a pool of entry-level workers for employment on projects that receive public and ratepayer funds, and be tied closely to real-time job projections/labor market information.

Priority training investments should include the following features:

- Training for specific skills related to energy efficiency and clean energy should be embedded in or linked to a broader occupational training program, and not a stand-alone training that only addresses specialized energy efficiency and clean energy tasks. Broad occupational training prepares workers for a long-term career and leads to increased energy efficiency savings and clean energy generation.
- Training for incumbent workers should include upskilling for new technologies and standards.
- Training should lead to industry-recognized credentials and certifications that, to the extent possible, provide college credit or are linked to credit-bearing programs.
- Training should expand the utilization of state-certified apprenticeship programs and other "learn-and-earn" models that promote industry-recognized skills and credentials.
- Training programs should demonstrate a high probability that trainees will be placed into jobs including, where possible, specific commitments by employers.
- Applicants for training investment funds should be required to provide matching funds to assure commitment to achieve the desired goals.

² 2012, Final Report for the California Clean Energy Workforce Training Program, Employment Development Department, Contract Agreement Number: 180-09-001.

³ Zabin et al (2011), www.irle.berkeley.edu/vial/

⁴ AB 554 (Atkins, 2011) requires that programs and services funded by the Workforce Investment Act of 1998 and directed to apprenticeable occupations, including pre-apprenticeship training, are conducted in coordination with one or more apprenticeship programs approved by the Division of Apprenticeship Standards for the occupation and geographic area.

- Regional partnerships and alignment of resources and programs among Local Workforce Investment Boards, employers, organized labor, K-12, Community Colleges, community-based organizations and other stakeholders should be prioritized in order to achieve program efficiencies, leverage resources, and avoid duplication of services.

All public and ratepayer investments that include funding for training should be allocated through an RFP or similar process whose development, review, and selection is carried out by an inter-agency committee that includes the Labor Agency, along with others. Performance goals and tracking systems should be developed for training investments that include number of workers trained, number of training completions, cost of training per worker, number and type of credentials and certificates awarded, number of trainees enrolled in state-certified apprenticeship programs, and number of job placements for trainees, including their wages and benefits, demographic and geographic profile, and retention rates for trainees placed in related employment.

5. Compliance

Issue

In addition to the enforcement of building codes and standards which are necessary to achieve the full potential of energy benefits and carbon reduction, enforcement of labor policies is necessary to maximize jobs benefits. This includes not only the public works contracting compliance that is already in place, but additional tasks such as oversight on local/targeted hire provisions, that are part of program design.

Recommendation

Public investments should include adequate funding for the Department of Industrial Relations (DIR) to ensure compliance with the public works section of the California Labor Code and related energy programs. Funds should be made available to code authorities to afford them the opportunity to update the recruitment, training and certification of building system inspectors.

DIR oversees public works projects through the Division of Labor Standards Enforcement and the Office of Policy, Research and Legislation. DIR has developed an on-line application (PWC-100) to capture critical data for compliance monitoring and apprenticeship purposes. DIR has also developed an online application to capture certified payroll record data for projects containing state construction bond funding. Additional funding should enhance applications to

capture local/targeted hiring data which is critical in the evaluation of the local/targeted hiring goals established by the California Workforce Investment Board.

6. Program Evaluation

Issue

Evaluation of the jobs and workforce development outcomes of public and ratepayer-funded programs is critical to insure accountability and improve program performance as necessary.

Recommendation

Programs funded through public and ratepayer investments should be required to conduct a process evaluation to review and assess whether the program elements are working, identify problems and barriers, and develop solutions to improve program performance.

Public and ratepayer funding should also require an outcome evaluation at the end of the program to evaluate whether the program met jobs and workforce development goals. The outcome evaluation should compile and evaluate the performance goals and metrics previously outlined, including:

- Quantity and quality of jobs created, including wages and benefits, and the demographic and geographic profile of workers, particularly those in entry-level jobs.
- Number of workers trained, number of training completions, cost of training per worker, number and type of credentials and certificates awarded, number of trainees enrolled in state-certified apprenticeship programs, and number of job placements for trainees, including their wages and benefits, demographic and geographic profile, and retention rates for trainees placed in related employment.

PROGRAM ELEMENTS: JOB LOSS

7. Transition Assistance for Adversely-Impacted Incumbent Workers

Issue

As California transitions to cleaner sources of energy, workers in carbon-intensive industries, and those in sectors dependent on these industries, may be at higher risk of losing their jobs. Given that industries at high risk for “leakage”⁵ will receive free allowances⁶, job loss in these

⁵ Leakage refers to a reduction in emissions of GHGs within the State that is offset by an increase in emissions of GHGs outside the State. AB 32 requires ARB to design measures to minimize leakage to the extent feasible.

industries may be very small. But if workers do lose their jobs, some are likely to face severe economic hardship. This is true because carbon-intensive industries have a high concentration of well-paying unionized manufacturing jobs, tend to be staffed by an aging workforce, and may be the best employer in their local area, all of which present challenges for finding comparable work for displaced workers.

The U.S. has a long history of investing in transition assistance programs, including the Trade Adjustment Assistance (TAA) program passed as part of the Trade Expansion Act of 1962. While the specifics of the program have fluctuated over the years, the primary goal is to assist workers in finding jobs with relatively equal pay and benefits by providing services such as income support, retraining and relocation support.

Recommendation

It is critical for the State, via the Labor and Workforce Development Agency, to help adversely-impacted incumbent workers transition to new, equivalent work and provide a bridge to retirement for a limited number of older workers, when retraining and finding a new job may not be viable⁷.

⁶ California Air Resources Board, *Cap-and-Trade Program: Emissions Leakage Research and Monitoring* (July 30, 2012) <http://www.arb.ca.gov/cc/capandtrade/meetings/073012/emissionsleakage.pdf>

⁷ For a framework for displaced worker program design and implementation, see Apollo Alliance and Cornell University ILR School Global Labor Institute, *Making the Transition: Helping Workers and Communities Retool for the Clean Energy Economy* (2009) http://www.climatechange.ca.gov/eaac/comments/2009-12-11_California_Labor_Federation_attachment_2.pdf

Legislative Guidance for Proposition 39 Citizens Oversight Board

Excerpt from Proposition 39 Ballot Language (2012):

*Chapter 3: Accountability, Independent Audits, Public Disclosure
26210 (a) The Citizens Oversight Board is hereby created.*

(b) The board shall be composed of nine members: three members shall be appointed by the Treasurer, three members by the Controller, and three members by the Attorney General. Each appointing office shall appoint one member who meets each of the following criteria:

- (1) An engineer, architect, or other professional with knowledge and expertise in building construction or design.*
- (2) An accountant, economist, or other professional with knowledge and expertise in evaluating financial transactions and program cost-effectiveness.*
- (3) A technical expert in energy efficiency, clean energy, or energy systems and programs.*

(c) The California Public Utilities Commission and the California Energy Commission shall each designate an ex officio member to serve on the board.

(d) The board shall do all of the following:

- (1) Annually review all expenditures from the Job Creation Fund.*
- (2) Commission and review an annual independent audit of the Job Creation Fund and of a selection of projects completed to assess the effectiveness of the expenditures in meeting the objectives of this division.*
- (3) Publish a complete accounting of all expenditures each year, posting the information on a publicly accessible Internet Web site.*
- (4) Submit an evaluation of the program to the Legislature identifying any changes needed to meet the objectives of this division.*

Excerpt from Senate Bill 73 (2013):

26240. (b) As a condition of receiving funds from the Job Creation Fund, not sooner than one year but no later than 15 months after an entity completes its first eligible project with a grant, loan, or other assistance from the Job Creation Fund, the entity shall submit a report of its project expenditures to the Citizens Oversight Board created pursuant to Chapter 3 (commencing with Section 26210). To the extent practical, this report shall also contain information on any of the following:

- (1) The total final gross project cost before deducting any incentives or other grants and the percentage of total project cost derived from the Job Creation Fund.*
- (2) The estimated amount of energy saved, accompanied by specified energy consumption and utility bill cost data for the individual facility where the project is located, in a format to be specified by the Energy Commission.*
- (3) The nameplate rating of new clean energy generation installed.*

(4) The number of trainees.

(5) The number of direct full-time equivalent employees and the average number of months or years of utilization of each of these employees.

(6) The amount of time between awarding of the financial assistance and the completion of the project or training activities.

(7) The entity's energy intensity before and after project completion, as determined from an energy rating or benchmark system, to be determined by the Energy Commission, such as the United States Environmental Protection Agency's Energy Star system or other acceptable benchmarking approach that may be available from local utilities, the American Society for Heating, Refrigerating, and Air-Conditioning Engineers, Inc., or a publicly available building analysis software as is appropriate to the size, budget, and expertise available to the school.

(c) If an LEA completes more than one project, the required information for a second and any subsequent project shall be submitted no later than the first full quarter following project completion.

(d) To minimize the calculation burden on LEAs, the Energy Commission shall develop a method to utilize the data submitted by each recipient LEA in its project reports, such as utility consumption data, building operating characteristics, and other information, to calculate for each project, LEA, or the state as a whole the actual or estimated energy and cost savings. This method shall include a means to combine gas and electric savings into a combined cost of saved energy factor and to report on other economic and investment performance metrics.

The Energy Commission shall prepare an annual summary of the expenditures, energy savings, effective cost of saved energy or return on investment, and employment effects of each year's completed projects, and shall provide this report to the Citizens Oversight Board.

(e) The California Workforce Investment Board, in consultation with the Energy Commission, shall utilize the reports filed with the Citizens Oversight Board to quantify total employment affiliated with funded projects, as well as to estimate new trainee, apprentice, or full-time jobs resulting from Job Creation Fund activity. The California Workforce Investment Board shall prepare a report with this information annually and submit it to the Citizens Oversight Board.

(f) The Citizens Oversight Board shall report the information it receives pursuant to subdivisions (a) to (e), inclusive, to the Legislature as part of its responsibilities pursuant to subdivision (d) of Section 26210. The Citizens Oversight Board's report shall be submitted annually and posted on a publicly accessible Internet Web site.