



Memorandum

To: Panel Members

Date: February 20, 2015

From: Stewart Knox, Executive Director

File:

Subject: LEGISLATIVE UPDATE

- 1. The following bills have been introduced in the 2015-16 legislative session that have a potential or direct impact on the Employment Training Panel (ETP) program:**

SB 69 and AB 103 - Budget Act of 2015

(Senator Mark Leno and Assembly Member Shirley Weber)

SUMMARY: Both SB 69 and AB 103 would make appropriations for the support of state government for the 2015-16 Fiscal Year. In terms of the Employment Training Panel's appropriation, both bills are identical.

Last September, near the end of the 2013-14 legislative session, the passage of Assembly Bill 1476 (Chapter 663, Statutes of 2014) provided a \$10 million increase in Employment Training Fund resources to be used in the current Fiscal Year (FY 2014-15).

As introduced, Senate Bill 69 and Assembly Bill 103 would make permanent the \$10 million increase in Employment Training Fund resources to address increasing demand for training contracts in the coming Fiscal Year (FY 2015-16).

STATUS: Both SB 69 and AB 103 were introduced on January 9, 2015. On the same day, SB 69 was referred to the Senate Committee on Budget & Fiscal Review. Both bills were read for the first time on January 12.

AB 103 was referred to the Assembly Committee on Budget on January 26, 2015, and may be heard in committee on or after February 11.

- 2. The following bill has been introduced in the 2015-16 session that may have a potential impact on the ETP program, or that may be of interest to the Panel:**

SB 3 Minimum wage: adjustment

(Senator Mark Leno)

SUMMARY: Existing law requires that, on and after July 1, 2014, the minimum wage for all industries be not less than \$9 per hour. Existing law further increases the minimum wage, on and after January 1, 2016, to not less than \$10 per hour.

This bill would increase the minimum wage, on and after January 1, 2016, to not less than \$11 per hour, on and after July 1, 2017, to not less than \$13 per hour. The bill would require the annual automatic adjustment of the minimum wage, commencing January 1, 2019, to maintain employee purchasing power diminished by the rate of inflation during the previous year. The adjustment would be calculated using the California Consumer Price Index, as specified. The bill would prohibit the Industrial Welfare Commission from adjusting the minimum wage downward and from adjusting the minimum wage if the average percentage of inflation for the previous year was negative.

STATUS: SB 3 was introduced, read for the first time, and referred to the Senate Committee on Rules on December 1, 2014. SB 3 was assigned to the Senate Committee on Labor and Industrial Relations on January 15, 2015.