



Memorandum

To: Panel Members

Date: April 24, 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 Senate Bill 69 and Assembly Bill 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.

As introduced, each bill would increase ETP's appropriation in Fiscal Year 2015-16 by \$10 million over what was initially appropriated for Fiscal Year 2014-15, in order to address increasing demand for training contracts.

STATUS: Both bills were introduced on January 9, 2015. Senate Bill 69 was read for the first time on January 12, 2015, and AB 103 was referred to the Assembly Committee on Budget on January 26, 2015.

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.

As amended on March 11, 2015, this bill would increase the minimum wage on and after January 1, 2016, to not less than \$11 per hour, and on and after July 1, 2017, to not less than \$13 per hour. The bill would require, commencing January 1, 2019, the

annual automatic adjustment of the minimum wage 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. Further, the bill would prohibit the Industrial Welfare Commission from reducing the minimum wage and from adjusting the minimum wage if the average percentage of inflation for the previous year was negative.

STATUS: On April 8, 2015, SB 3 was read a third time in the Senate Committee on Labor and Industrial Relations. It passed out of Committee and was re-referred to the Committee on Appropriations.

CALENDAR: SB 3 was placed in the suspense file after being heard in Senate Appropriations on April 20th.