

**Greenhouse Gas Reduction Fund: Expenditure Record**

California Workforce Development Board  
High Road Construction Careers Program

**Authorizing legislation:** Items 7120-101-3228 and 7120-001-3228 of the Budget Act of 2019 (Chapter 23, Statutes of 2019) appropriates to the California Workforce Development Board \$35M to support apprenticeship and job training programs, including support for training opportunities necessary to transition the State’s workforce to a low-carbon economy.

**Element (1) A description of each expenditure proposed to be made by the administering agency pursuant to the appropriation.**

<ul style="list-style-type: none"> <li>Agency that will administer funding</li> </ul>	<ul style="list-style-type: none"> <li>California Workforce Development Board (CDWB)</li> </ul>
<ul style="list-style-type: none"> <li>Amount of proposed expenditure and appropriation reference</li> </ul>	<ul style="list-style-type: none"> <li>The total expenditure for Local Assistance is \$30 million per Section 7120-101-3228 of the Budget Act of 2019 (Chapter 23, Statutes of 2019). CDWB will allocate \$10 million for High Road Construction Careers and \$20 million for High Road Training Partnerships.</li> <li>This Expenditure Record is for the High Road Construction Careers Program only, with at least 80% of funds for project implementation and the remainder for technical assistance to the field.</li> </ul>
<ul style="list-style-type: none"> <li>Estimated amount of expenditures for administering agency administrative costs</li> </ul>	<ul style="list-style-type: none"> <li>The total expenditure for State Operations is \$5 million, per Section 7120-001-3228 of the Budget Act of 2019 (Chapter 23, Statutes of 2019).</li> </ul>
<ul style="list-style-type: none"> <li>If applicable, identify laws or regulations that govern how funds will be used</li> </ul>	<ul style="list-style-type: none"> <li>AB 1532 (Pérez, Chapter 807, Statutes of 2012), Senate Bill (SB) 535 (de León, Chapter 830, Statutes of 2012), SB 1018 (Budget and Fiscal Review Committee, Chapter 39, Statutes of 2012), SB 862 (Budget and Fiscal Review Committee, Chapter 36, Statutes of 2014), and AB 1550 (Gomez, Chapter 369, Statutes of 2016) provide the general framework for how the auction proceeds will be administered to further the purposes of AB 32.</li> <li>California Unemployment Insurance Code, Section 14230, Subdivision (e), which specifies requirements pertaining to the curriculum and targeted participants for construction pre-apprenticeship programs in California.</li> </ul>
<ul style="list-style-type: none"> <li>Continuation of existing</li> </ul>	<ul style="list-style-type: none"> <li>This is a new program that does not have an existing Expenditure Record.</li> </ul>

Expenditure Record	
<ul style="list-style-type: none"> <li>▪ Project type(s)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Workforce development (recruitment, education and training, supportive services, and placement assistance)</li> <li>▪ Technical Assistance</li> </ul>
<ul style="list-style-type: none"> <li>▪ Describe the projects and/or measures that will be eligible for funding</li> </ul>	<ul style="list-style-type: none"> <li>▪ Multi-craft construction pre-apprenticeship projects that:                             <ul style="list-style-type: none"> <li>○ Establish structured career pathways to quality jobs in the building and construction trades, with a focus on trades or crafts with the highest involvement in climate change mitigation and adaptation projects.</li> <li>○ Strengthen existing systems and partnerships that increase skills, opportunity, and access for disadvantaged and underrepresented populations (women, people of color, and formerly-incarcerated and justice-involved individuals) in the building and construction trades.</li> <li>○ Increase awareness of climate change and environmental sustainability via pre-apprenticeship curriculum and training.</li> <li>○ Facilitate quality placement opportunities in jobs or educational programs that support climate change mitigation and adaptation.</li> </ul> </li> <li>▪ Technical assistance for projects to support implementation and capacity-building linked to the objectives above.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Intended recipients</li> </ul>	<ul style="list-style-type: none"> <li>▪ Regional training partnerships comprised of local Building &amp; Construction Trades Councils, local workforce development boards, Joint Apprenticeship &amp; Training Committees, community-based organizations, and local educational entities (e.g., adult schools and community colleges).</li> </ul>
<ul style="list-style-type: none"> <li>▪ Program structure and process for selecting projects for funding</li> </ul>	<ul style="list-style-type: none"> <li>▪ Competitive solicitation, evaluation, and selection of projects according to program guidelines.</li> <li>▪ Invitation-only application process to entities (see “Intended Recipients” above) that meet pre-determined High Road criteria and are responsive to CWDB Funding Guidelines and CCI Funding Guidelines.</li> </ul>

**Element (2) A description of how a proposed expenditure will further the regulatory purposes of Division 25.5 (commencing with Section 38500) of the Health and Safety Code, including, but not limited to, the limit established under Part 3 (commencing with Section 38550) and other applicable requirements of law.**

<ul style="list-style-type: none"> <li>▪ How the expenditure is consistent with the Investment</li> </ul>	<ul style="list-style-type: none"> <li>▪ By investing in multi-craft pre-apprenticeship, focusing on serving priority populations, and advancing the goals of equity, sustainability, and job quality, the High Road Construction Careers program directly meets one of the top three recommendations of the “Cap-and-Trade Auction</li> </ul>
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Plan and the Scoping Plan	<p>Proceeds Third Investment Plan: Fiscal Years 2019-20 through 2021-22,” which is to “increase job training opportunities for priority populations.”</p> <ul style="list-style-type: none"> <li>▪ This program is also consistent with California’s 2017 Climate Change Scoping Plan, which affirmed the important role of workforce development and the need to promote resilient economic growth: “Investments and training in education and workforce development for a lower carbon economy are a critical part of this transition.” Likewise, this program can help to address one of the AB 32 Environmental Justice Advisory Committee’s overarching recommendations for the Scoping Plan to: “Maximize the accessibility of safe jobs, incentives, and economic benefits for Californians and the development of a just transition for workers and communities in and around polluting industries.”</li> </ul>
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**Element (3) A description of how a proposed expenditure will contribute to achieving and maintaining greenhouse gas emission reductions pursuant to Division 25.5 (commencing with Section 38500) of the Health and Safety Code.**

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<ul style="list-style-type: none"> <li>▪ Describe how expenditures will facilitate the achievement of GHG emission reductions in the State</li> </ul>	<ul style="list-style-type: none"> <li>▪ This program will facilitate GHG emission reductions by: (1) developing a skilled workforce for the construction industry, with a focus on trades or crafts with the highest involvement in climate change mitigation and adaptation projects, which can result in direct and indirect GHG emission reduction projects across multiple sectors; and (2) increasing workers’ awareness of climate change and environmental sustainability (including knowledge of construction sector-specific policy strategies, emission-reducing measures and industry practices, and relevant skills and trades/crafts to pursue) via pre-apprenticeship curriculum and training.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Explain when GHG emission reductions and/or co-benefits are expected to occur and how they will be maintained</li> </ul>	<ul style="list-style-type: none"> <li>▪ GHG emission reductions facilitated by this program’s investment will occur on an ongoing basis as pre-apprentices complete this training program and are placed in apprenticeship or other employment, from where they are employed on specific construction projects.</li> <li>▪ The benefits that result from this program’s investment in workforce development will primarily occur once training is completed and graduates are placed in middle-class careers in the building and construction trades. Benefits will continue to grow as workers gain more experience, acquire additional skills, and advance in their careers.</li> </ul>

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**Element (4) A description of how the administering agency considered the applicability and feasibility of other non-greenhouse gas reduction objectives of Division 25.5 (commencing with Section 38500) of the Health and Safety Code.**

<ul style="list-style-type: none"> <li>▪ Expected co-benefits, particularly environmental, economic, public health and safety, and climate resiliency</li> </ul>	<ul style="list-style-type: none"> <li>▪ This program will deliver economic co-benefits of good jobs and higher wages by connecting or directly placing pre-apprenticeship graduates in state-registered apprenticeship, construction-sector employment other than apprenticeship, or post-secondary education.</li> <li>▪ Environmental and economic co-benefits (e.g., reductions in air pollutant emissions and energy costs) may be achieved as well as pre-apprentices learn about GHG emission-reducing strategies and implement specific measures at home and in their community.</li> <li>▪ This program’s investments will help build a resilient workforce and help the most vulnerable communities and individuals adapt and respond to the impacts of climate change.</li> </ul>
<ul style="list-style-type: none"> <li>▪ How the project will support other objectives of AB 32 and related statutes</li> </ul>	<ul style="list-style-type: none"> <li>▪ This program supports other objectives of AB 32, including the reduction of GHG emissions in a manner that: (1) maximizes additional environmental and economic co-benefits for California by investing in regional HRCC training partnerships that engage and build the capacity of California businesses, workers, labor organizations, community groups, and local education and workforce entities to improve job quality and equity and to compete in a carbon-constrained economy; and (2) directs public and private investment toward the most disadvantaged communities in California by targeting populations for workforce development (i.e., recruitment, pre-apprenticeship training, supportive services, and placement assistance).</li> <li>▪ This program also supports the priorities identified in AB 398 by developing a skilled workforce capable of carrying out a variety of construction projects related to: reducing air toxic and criteria air pollutants from stationary and mobile sources, increasing deployment of zero-emission transportation alternatives, healthy forests and urban greening, reducing short-lived climate pollutants, climate adaptation and resiliency.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Percentage of total funding that will be expended for projects that are located in</li> </ul>	<ul style="list-style-type: none"> <li>▪ CWDB will establish a target of at least 60% of program funds to benefit low-income households and residents of disadvantaged communities and low-income communities.</li> </ul>

<p>and benefit priority populations<sup>1</sup> per CARB guidance</p>	<p>Describe the benefits to priority populations per CARB guidance</p>	<ul style="list-style-type: none"> <li>▪ Pre-apprenticeship projects will benefit priority populations by providing multi-craft construction education and training, industry-recognized certification, supportive services (to help complete training, prepare for apprenticeship requirements, and gain lifelong employability skills), and job or post-secondary education placement assistance.</li> </ul>
<p>Explain strategies the administering agency will use to maximize benefits to disadvantaged communities</p>	<p>Partner with community-based organizations for targeted recruitment of priority populations in pre-apprenticeship.</p> <p>Providing or coordinating a variety of supportive services (e.g., stipends, transportation and child care assistance, remedial math and reading coursework, counseling and mentorship) to support participant retention and training completion.</p> <p>Use of the Multi-Craft Core Curriculum (MC3) for pre-apprenticeship to maximize apprenticeship placement opportunities.</p> <p>Promote the expanded use of Project Labor Agreements, Community Workforce Agreements, and other similar measures (e.g., targeted hire ordinances) to create demand for apprentices that have earned the MC3 certificate.</p> <p>Research and education about the High Road Construction Careers program to expand this model to other construction training programs in California.</p>	<ul style="list-style-type: none"> <li>▪ Partner with community-based organizations for targeted recruitment of priority populations in pre-apprenticeship.</li> <li>▪ Providing or coordinating a variety of supportive services (e.g., stipends, transportation and child care assistance, remedial math and reading coursework, counseling and mentorship) to support participant retention and training completion.</li> <li>▪ Use of the Multi-Craft Core Curriculum (MC3) for pre-apprenticeship to maximize apprenticeship placement opportunities.</li> <li>▪ Promote the expanded use of Project Labor Agreements, Community Workforce Agreements, and other similar measures (e.g., targeted hire ordinances) to create demand for apprentices that have earned the MC3 certificate.</li> <li>▪ Research and education about the High Road Construction Careers program to expand this model to other construction training programs in California.</li> </ul>
<p>Explain how the administering agency will avoid potential substantial burdens to disadvantaged communities and low-income communities or, if unknown, explain the process for identifying and avoiding potential substantial</p>	<p>CWDB will engage with community and workforce leaders to determine thresholds and situations that could affect eligibility for, or continuation of, public assistance. CWDB will provide guidance to applicants and require that they identify responses and pro-active solutions to address this potential substantial burden; CWDB will evaluate and consider these measures in project selection.</p> <p>CWDB will engage with past and current HRCC grantees, community groups, and stakeholders to identify other potential burdens and ensure program design, expectations, and requirements are realistic, inclusive, and address the specific needs of priority populations. CWDB will make programmatic adjustments to eligibility criteria, and ultimately</p>	<ul style="list-style-type: none"> <li>▪ CWDB will engage with community and workforce leaders to determine thresholds and situations that could affect eligibility for, or continuation of, public assistance. CWDB will provide guidance to applicants and require that they identify responses and pro-active solutions to address this potential substantial burden; CWDB will evaluate and consider these measures in project selection.</li> <li>▪ CWDB will engage with past and current HRCC grantees, community groups, and stakeholders to identify other potential burdens and ensure program design, expectations, and requirements are realistic, inclusive, and address the specific needs of priority populations. CWDB will make programmatic adjustments to eligibility criteria, and ultimately</li> </ul>

<sup>1</sup> Priority populations include residents of: (1) census tracts identified as disadvantaged by California Environmental Protection Agency per SB 535; (2) census tracts identified as low-income per AB 1550; or (3) a low-income household per AB 1550. See Section VII.B for more information on the definitions of priority populations.

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burdens	<p>funding decisions, as necessary to avoid potential substantial burdens.</p> <ul style="list-style-type: none"> <li>▪ CWDB requires HRCC regional training partnerships to include community-based, faith-based, or non-profit organizations with expertise in working with priority populations and ability to anticipate and meet participants' needs through supportive services.</li> </ul>
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**Element (5) A description of how the administering agency will document the result achieved from the expenditure to comply with Division 25.5 (commencing with Section 35800) of the Health and Safety Code.**

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<ul style="list-style-type: none"> <li>▪ How the administering agency will track / report progress to make sure projects are implemented per requirements in statute and CARB guidance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Funding recipients will complete customized templates and report quarterly on progress, challenges, successes, and outcomes. CWDB will determine data-collection and reporting requirements prior to project implementation and provide guidance. CWDB will report to CARB semi-annually through the tracking and reporting system, consistent with CARB guidance.</li> <li>▪ CWDB may also conduct periodic reviews of selected projects. If a funding recipient is not performing in accordance with program requirements, the recipient will be subject to the remedies for non-performance, as identified in forthcoming program guidelines and grant agreements.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Describe the approach that will be used to document GHG emission reductions and/or other benefits before and after project completion.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Where methods exist, CWDB will use CARB-approved quantification methodologies for projects that directly reduce GHG emissions.</li> <li>▪ To document economic co-benefits, CWDB will require awarded projects to track individual participant and project-level data through customized supplemental reporting.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Type of information that will be collected to document results, consistent with CARB guidance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Participant data will include demographics and socio-economic characteristics, including but not limited to priority population status.</li> <li>▪ Outcomes data will include enrollment, training completion and MC3 certificate attainment, and employment and post-secondary education placement (both numeric and descriptive).</li> <li>▪ CWDB may also collect data on project location and how the project benefits priority populations, consistent with CARB guidance.</li> </ul>

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California Workforce Development Board (CWDB) Expenditure Record for High Road Construction Careers (HRCC) Program

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- How the administering agency will report on program status
    - CWDB will provide regular program updates consistent with CARB guidance, addressing expenditure amounts, participants and training outcomes, and other benefits identified by the project and/or by CWDB or CARB.
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