STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
EMPLOYMENT FIRST COMMITTEE MEETING
POSTED AT: www.scdd.ca.gov

DATE: October 8, 2019
TIME: 10:30 AM – 3:30 PM

MEETING LOCATION: SCDD HQ OFFICE
3831 North Freeway Blvd., Suite 125
Sacramento, CA 95834

COMMITTEE CHAIR: Wesley Witherspoon

Item 1. CALL TO ORDER

Item 2. ESTABLISH QUORUM

Item 3. WELCOME AND INTRODUCTIONS

Item 4. PUBLIC COMMENTS
This item is for members of the public only to provide comments and/or present information to the Committee on matters not on the agenda. Each person will be afforded up to three minutes to speak. Written requests, if any, will be read.

Item 5. APPROVAL OF AUGUST 2019 MINUTES
Item 6.  EMPLOYMENT SPOTLIGHT
Presented by: Wesley Witherspoon and Maria Marquez

Item 7.  FEDERAL AND STATE LEGISLATIVE AND REGULATORY UPDATES
Presented by: Cindy Smith, SCDD

Item 8.  UPDATE AND DISCUSSION ON IMPLEMENTATION OF DATA SHARING LEGISLATION
Presented by: Michael Luna, DDS

Item 9.  UPDATE ON CIE BLUEPRINT IMPLEMENTATION
Presented by: All

Item 10.  NEXT STEPS ON EFC’S ACTIVITIES FOR 2020
Presented by: All

Item 11.  2020 MEETING DATES
February 4th, April 23rd, July 30th and September 29th

Item 12.  ADJOURNMENT

Accessibility:
Pursuant to Government Code Sections 11123.1 and 11125(f), individuals with disabilities who require accessible alternative formats of the agenda and related meeting materials and/or auxiliary aids/services to participate in this meeting should contact (916) 263-7919. Requests must be received by 5 business days prior to the meeting.

Materials:
Meeting documents and presentations for an agenda item must be submitted to SCDD no later than 2 business days prior to the meeting.

All times indicated and the order of business are approximate and subject to change.

A call-in phone line will be available so that members of the public can call in and listen to this meeting, provided there are no unforeseen technical difficulties or other limitations. The meeting will not be cancelled if the call-in phone line is not available. If you wish to participate or to have a guaranteed opportunity to observe and participate, please plan to attend at a physical location.
AGENDA ITEM 5.  
ACTION ITEM  

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES – EFC  

Approval of August 2019 Minutes  

Members will be presented with the draft minutes from the August 15th meeting for consideration.  

Action Recommended  
Approve the August 2019 minutes.  

Attachment(s)  
August 2019 Minutes
1. **CALL TO ORDER**  
Chairperson Wesley Witherspoon (SA) called the meeting to order at 10:05 A.M.

2. **ESTABLISH QUORUM**  
A quorum was established.

3. **WELCOME/INTRODUCTIONS**  
Members and others introduced themselves as indicated.

4. **PUBLIC COMMENTS**  
Committee Chair Witherspoon announced that, starting in October, he would be adding a new standing item to the agenda to highlight community member stories on people who have either achieved competitive, integrated employment or who have hit barriers in obtaining employment. He asked that each person on the Committee participate by signing up on a list that staff would route to Committee members.
5. **APPROVAL OF THE APRIL 2019 MEETING MINUTES**
   It was moved/seconded (Raynor/Chiu) and carried to approve the April 18, 2019 meeting minutes as amended. (Ruder and Issacs: Abstain; all others in favor)

   **Amendment**
   Revise page 5, agenda item 12, paragraph 1, sentence 2 of the minutes to read: Barriers that were identified included: CalABLE training, work incentive training, financial incentives for employers, shared best practices, low rates paid to employment providers, and employer recognition.

6. **DISCUSSION OF EFC PURPOSE & REQUIREMENTS**
   Deputy Director Cindy Smith provided members with a brief history of the Employment First Policy, the Committee’s statutory purpose and responsibilities and some of the Committee’s achievements over the last 10 years.

7. **FEDERAL LEGISLATIVE AND REGULATORY UPDATE**
   Deputy Director Cindy Smith provided members with updates on HCBS, employment, and education policies impacting CIE. Specifically, H.R. 582 / S. 150, S. 260 / H.R. 873, H.R. 3070, and S. 255 and the final comments submitted to ODEP on subminimum wage employment submitted by SCDD.

8. **UPDATES ON STATE LEGISLATION**
   Deputy Director Smith provided an update on SCDD Sponsored Legislation and other employment related legislation introduced this session. Following the updates, Committee members discussed whether to reintroduce AB 1169. Without additional information, members were not prepared to make a decision and directed staff to bring back more information in October.

9. **UPDATE AND DISCUSSION ON DATA SHARING LEGISLATION IMPLEMENTATION**
   Committee member Michael Luna provided the below data in his report to Committee members.

   **Employment Development Department Data**
   - Previously received aggregated data based off perfect name match.
   - Non-aggerated data includes, names and social security data of individuals ages 16 and older that are Status 2. Status 2 is an active RC consumer.
The EDD matched that information to their database and returned individual specific wage data including employment locations, business name and type. We are currently discussing with our Research Section on how to best utilize that data.

Aggregated data allowed for name variants to Social Security Number.

Approximately 87% of the EDD data were deemed accurate enough to report with confidence.

2016 yearly average of working consumers increased from 14.2% to 16.4%. Average numbers of consumers receiving wages 25,236.

2017 yearly average of working consumers increased from 14.5% to 17%. Average numbers of consumers receiving wages 27,182.

**Competitive Integrated Employment Data**

- Updated numbers as of March 2019.
- PIP 976. Already surpassed FY 17/18 total of 667.
- CIE Incentive Payments 994.
- Final FY 18/19 numbers will be posted in Blueprint Annual Report.

10. **UPDATE ON CIE BLUEPRINT IMPLEMENTATION**

Committee members Barbara Boyd, Michael Luna and Cindy Chiu provided updates on the CIE Blueprint Implementation stating that 19 local partnership agreements (LPAs) have been posted on the internet, 31 have been submitted, and that the webinar would be translated later this fall. Committee Chair Witherspoon offered to have the SSAN members view the webinar and provide feedback on accessibility if desired.

11. **UPDATE ON THE 2018 EFC REPORT**

Deputy Director Smith distributed of the final text of 2018 EFC Report and the executive summary and reported that the final layout of the report would be submitted.

12. **EFC’S ACTIVITIES FOR 2020**

Using previously identified goals, priorities and policy recommendations, Committee members took part in an exercise to select activities to achieve in 2020. Several activities were identified in the exercise with the below four getting the highest number of votes.

**Goal 3 – Transition from segregated programs to CIE**
Activity 1. Engage business via work experience, work-based learning, and customized employment, or internship/apprenticeship to build a direct pipeline meeting business talent needs

Activity 2. Support legislation to do away with 14c in California.

**Goal 4 – Support families and individuals better understand CIE**
Activity 3. Hold a statewide Conference for self/family advocates and providers to identify opportunities for benefit planning (CalABLE), transportation options, assistive technology, job accommodations, etc.

**Goal 6 – Assure qualified employment related services**
Activity 4. Enhance customized employment services by bringing more resources to California

Members then briefly discussed how each Member organization/agency could contribute in accomplishing the activities in 2020. Members agreed to continue discussion in October on how each organization contribute in carrying out the activities.

13. **EXPANDING EFC MEMBERSHIP**
Committee members selected the below collaborators to assist in achieving the activities identified above and directed staff to work with the Council Chair on next steps.

- Business organization such as the Chamber of Commerce or employer
- Transition age self-advocate looking for or working in CIE
- Exceptional Family Resource Center
- Supported employment provider
- California Workforce Board

14. **FUTURE MEETING DATES**
October 8, 2019.

15. **ADJOURNMENT**
Meeting at adjourned at 3:05 P.M.
October 8, 2019

AGENDA ITEM 6.
INFORMATIONAL ITEM

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES – EFC

Employment Spotlight

Committee Chair Wesley Witherspoon has invited Interim Council Chair Maria Marquez to share her personal journey in achieving competitive integrated employment (CIE). Interim Chair Marquez will provide members an overview of her employment history, including the supports and resources she found helpful along the way to achieve CIE. Committee members are asked to please sign-up on the sheet being circulated for a meeting that you will take the lead in bringing a presenter to EFC for this agenda item in 2020.

Attachment(s)
None
AGENDA ITEM 7.
POTENTIAL ACTION ITEM

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES – EFC

Federal and State Legislative and Regulatory Updates

Deputy Director Cindy Smith will provide an update on federal and state legislative and regulatory issues relating to employment for people with disabilities.

The Deputy Director will provide general updates followed by the Committee discussing the recommendation from LPPC to reintroduce AB 1169. The Committee will also discuss possibly providing input on the California State Plan for Career Technical Education and Unified Strategic Workforce Development Plan required by the Workforce Innovation and Opportunity Act.

Attachment(s)
AB 1169 Bill Text and Analysis
Detail Sheet on State Plans in California related to WIOA and CTE
An act to add and repeal Section 17053.75 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL’S DIGEST


The Personal Income Tax Law allows various credits against the taxes imposed by that law. Existing law requires any bill authorizing a new tax credit to contain, among other things, specific goals, purposes, and objectives that the tax credit will achieve, detailed performance indicators, and data collection requirements.

This bill would allow a credit against those taxes for each taxable year beginning on or after January 1, 2020, and before January 1, 2025, in an amount equal to 40% of the amount paid or incurred by a qualified taxpayer during the taxable year for qualified wages of qualified employees, not to exceed $6,000 per qualified employee. The bill would define “qualified employee” to mean an employee who is hired on or after January 1, 2019, and who is a vocational rehabilitation referral, qualified SSI recipient, or qualified SSDI recipient. The bill would also include additional information required for any bill authorizing a new income tax credit.
The people of the State of California do enact as follows:

SECTION 1. Section 17053.75 is added to the Revenue and Taxation Code, to read:

17053.75. (a) For each taxable year beginning on or after January 1, 2020, and before January 1, 2025, there shall be allowed as a credit against the “net tax,” as defined in Section 17039, an amount equal to 40 percent of the amount paid or incurred by a qualified taxpayer during the taxable year for qualified wages of qualified employees, not to exceed six thousand dollars ($6,000) per qualified employee.

(b) For purposes of this section:

(1) “Qualified employee” means an employee that meets both of the following criteria:

(A) Was hired on or after January 1, 2019.

(B) Is one of the following:

(i) A vocational rehabilitation referral.

(ii) A qualified SSI recipient.

(iii) A qualified SSDI recipient.

(2) “Qualified SSI recipient” means an individual who is receiving supplemental security income benefits under Title XVI of the Social Security Act, including supplemental security income benefits of the type described in Section 1616 of the Social Security Act (42 U.S.C. Sec. 1382e) or Section 212 of Public Law 93-66, for any month ending within 60 days of the date that the qualified taxpayer hired the qualified employee.

(3) “Qualified SSDI recipient” means any individual who is certified by a designated local agency as receiving disability insurance benefits under Section 223 of the Social Security Act (42 U.S.C. Sec. 423) for any month ending within 60 days of the date that the qualified taxpayer hired the qualified employee.

(4) “Qualified taxpayer” means a taxpayer that operates a business and does not hold a certificate pursuant to subsection (c) of Section 214 of Title 29 of the United States Code.
(5) “Qualified wages” means wages for work performed in California for the first 12 months that a qualified employee is employed by the qualified taxpayer.

(6) “Vocational rehabilitation referral” means an individual who is certified by the Department of Rehabilitation as having both of the following:

(A) A physical or mental disability that constitutes or results in a substantial handicap to employment.

(B) A referral to the employer upon completion of or while receiving rehabilitative services pursuant to any of the following:

(i) An individualized written plan for employment under California’s plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973 (19 U.S.C. Sec. 701).

(ii) A program of vocational rehabilitation carried out under Chapter 31 of Title 38 of the United States Code.

(iii) An individual work plan developed and implemented by an employment network pursuant to subsection (g) of Section 1148 of the Social Security Act (42 U.S.C. Sec. 1320b-19).

(c) In the case where the credit allowed by this section exceeds the “net tax,” the excess may be carried over to reduce the “net tax” in the following taxable year, and succeeding years if necessary, until the credit is exhausted.

(d) The Employment Development Department, the Department of Rehabilitation, the California Workforce Development Board, and the State Council on Developmental Disabilities shall carry out their existing mandates to notify employers of the availability of the credit.

(e) (1) For the purposes of complying with Section 41, the Legislature finds and declares the following:

(A) Individuals with disabilities have historically been unemployed or underemployed compared to individuals without disabilities.

(B) Additional incentives must be provided to incentivize employers to hire employees with disabilities.

(2) The goal of this credit is to encourage employers to hire individuals with disabilities, as specified in subparagraph (B) of paragraph (1) of subdivision (b), who are seeking employment.

(3) On or before March 1, 2021, and annually thereafter, the Franchise Tax Board shall submit a report, in compliance with Section 9795 of the Government Code, to the Joint Legislative
Budget Committee related to the goals, purposes, objectives, performance indicators, and data collection requirements for this credit, that includes all of the following for the prior taxable year:

(A) The total dollar amount of the credit claimed.

(B) A comparison of the total dollar amount of the credit claimed to the Franchise Tax Board’s prior estimate of the total dollar amount of the credit expected to be claimed in that fiscal year.

(C) The number of qualified taxpayers claiming the credit and the number of qualified employees represented in those claims.

(4) On or before October 1, 2021, and annually thereafter, the Employment Development Department shall submit a report, in compliance with Section 9795 of the Government Code, to the Joint Legislative Budget Committee related to the goals, purposes, objectives, performance indicators, and data collection requirements for this credit, that includes all of the following for the prior taxable year:

(A) The percentage of newly hired employees in the state that are qualified employees.

(B) The distribution of qualified taxpayers based on industry sectors.

(C) The distribution of qualified employees based on industry sectors.

(f) This section shall remain in effect only until December 1, 2025, and as of that date is repealed.

SEC. 2. This act provides for a tax levy within the meaning of Article IV of the California Constitution and shall go into immediate effect.
Date of Hearing: May 6, 2019

ASSEMBLY COMMITTEE ON REVENUE AND TAXATION
Autumn R. Burke, Chairwoman

AB 1169 (Frazier) – As Amended April 23, 2019

FOR VOTE ONLY

Majority vote. Tax levy. Fiscal committee.

SUBJECT: Personal income taxes: credit: employer: qualified wages

SUMMARY: Creates a 40%-income tax credit under the Personal Income Tax (PIT) Law for qualified wages paid by employers who hire qualified individuals with disabilities for the first twelve months capped at $6,000 per employee. Specifically, this bill:

1) Provides, on or after January 1, 2020, and before January 1, 2025, a credit equal to 40% of the amount paid or incurred by a qualified taxpayer during the taxable year to qualified employees for qualified wages, not to exceed $6,000 per qualified employee.

2) Defines a "qualified employee" as an employee who:
   a) Was hired on or after January 1, 2019; and,
   b) Is either:
      i) A vocational rehabilitation referral;
      ii) A qualified SSI recipient; or,
      iii) A qualified SSDI recipient.

3) Defines a "qualified SSI recipient" as an individual who is receiving supplemental security income benefits, as specified, for any month ending within 60 days of the qualified employee’s hire date by the qualified taxpayer.  

4) Defines a "qualified SSDI recipient" as any individual who a designated local agency certifies as receiving disability insurance benefits, as specified, for any month ending within 60 days of the qualified employee’s hire date by the qualified taxpayer.

5) Defines a "qualified taxpayer" as a taxpayer that operates a business and does not hold a certificate permitting subminimum wage payments, as specified.

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1 Title XVI of the Social Security Act, including the type of supplemental security income benefits described in Section 1616 of the Social Security Act (42 U.S.C. Sec. 1382e) or Section 212 of Public Law 93-66.
2 Section 223 of the Social Security Act (42 U.S.C. Sec. 423).
3 Those certificates issued under U.S.C Title 29 Section 214(c).
6) Defines "qualified wages" as wages for work performed in California for the first 12 months that the qualified taxpayer employs a qualified employee.

7) Defines a "vocational rehabilitation referral" as a Department of Rehabilitation (DOR)-certified individual who has both:

   a) A physical or mental disability that constitutes or results in a substantial handicap to employment; and,

   b) A referral to the employer upon completion of or while receiving rehabilitative services pursuant to either:

      i) An individualized written plan for employment under California's plan for vocational rehabilitation services, as specified;⁴

      ii) A program of vocational rehabilitation, as specified;⁵ or,

      iii) An individual work plan developed and implemented by an employment network; as specified.⁶

8) Allows credit carryover until the credit is exhausted.

9) Requires the Employment Development Department (EDD), the DOR, the California Workforce Development Board, and the State Council on Developmental Disabilities to carry out their existing mandates to notify employers of this credit's availability.

10) Makes findings and declarations to comply with Revenue and Taxation Code (R&TC) Section 41 as follows:

    a) Individuals with disabilities have historically been unemployed or underemployed compared to individuals without disabilities.

    b) Additional incentives must be provided to incentivize employers to hire employees with disabilities.

    c) This credit's goal is to encourage employers to hire individuals with disabilities, who are seeking employment.

11) Requires the Franchise Tax Board (FTB), on or before March 1, 2021, and annually thereafter, to submit a report to the Legislature, as specified, that includes all of the following for the prior taxable year:

    a) The total dollar amount of the credit claimed;

    b) A comparison of the total dollar amount of the credit claimed to the FTB's prior estimate of the total dollar amount of the credit expected to be claimed in that fiscal year; and,

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⁵ Those carried out under Chapter 31 of Title 38 of the United States Code.
⁶ Those pursuant to subsection (g) of Section 1148 of the Social Security Act (42 U.S.C. Sec. 1320b-19).
c) The number of qualified taxpayers claiming the credit and the number of qualified employees represented in those claims.

12) Requires the EDD, on or before October 1, 2021, and annually thereafter, to submit a report to the Legislature, as specified, related to the goals, purposes, objectives, performance indicators, and data collection requirements for this credit, that includes all of the following for the prior taxable year:

a) The percentage of newly hired employees in the state that are qualified employees;

b) The distribution of qualified taxpayers based on industry sectors; and,

c) The distribution of qualified employees based on industry sectors.

13) Takes immediate effect as a tax levy.

14) Sunsets on January 1, 2025.

EXISTING LAW:

1) Allows taxpayers engaged in a trade or business to deduct all expenses that are considered ordinary and necessary in conducting that trade or business.

2) Allows various tax credits under the PIT Law and the Corporation Tax (CT) Law generally designed to encourage socially beneficial behavior or to provide relief to taxpayers who incur specified expenses.

3) Applies performance measurement standards to any new tax credit under either the PIT Law or the CT Law if enacted by a bill introduced on or after January 1, 2015. Specifically, existing law requires all of the following:

a) Specific goals, purposes, and objectives that the tax credit will achieve;

b) Detailed performance indicators for the Legislature to use when measuring whether the tax credit meets the goals, purposes, and objectives stated in the bill; and,

c) Data collection requirements to enable the Legislature to determine whether the tax credit is meeting, failing to meet, or exceeding those specific goals, purposes, and objectives, including a requirement to specify both of the following:

i) The baseline data, to be collected and remitted in each year the credit is effective, for the Legislature to measure the change in performance indicators; and,

ii) The taxpayers, state agencies, or other entities required to collect and remit data.

FISCAL EFFECT: Pending

COMMENTS:

1) The author has provided the following statement in support of this bill:
People with developmental disabilities (IDD) are much more likely to be un-employed or under-employed, than people without disabilities. The employment and economic disparities for people with IDD is staggering and studies have shown that the perceived additional costs to be incurred by hiring people with IDD dissuade employers from hiring. By minimizing those additional costs with tax incentives through this bill, employers will be much more likely to hire people with IDD, and ultimately understand how productive IDD employees can be, and the difference it makes in their lives.

2) Supporters of this bill state:

California has seen minimal growth in the employment rate for persons with disabilities despite continued economic growth since the recession. People with disabilities are much more likely to be unemployed or under-employed than people without disabilities. In 2017, the American Community Survey (ACS) reported the employment rate of working-age people (ages 21 to 64) with disabilities in California was 36.8 percent while the rate of working-aged people without disabilities is 77.3 percent. Additionally, the Department of Developmental Services reports that 14.5 percent of people with developmental disabilities who are receiving services through the regional center are working.

Studies have found the perceived additional costs to be incurred by hiring people with disabilities dissuade employers from hiring despite anti-discrimination laws which require people with disabilities not be discriminated against by employers. One study of small business owners found, current federal tax incentives would increase the amount of money employers would find reasonable to incur in accommodation costs.

3) Committee Staff Comments:

a) **What does this bill do?** This bill allows taxpayers a tax credit equal to 40% of wages paid to a newly hired individual for work performed in California limited to:

   i) Individuals who are SSI/SSDI recipients or who have DOR-Vocational Referrals.

   ii) The first 12 months of employment.

   iii) Per-employee $6,000 cap.

b) **Reward or incentive?** This bill allows the tax credit to be claimed by taxpayers who hire qualified employees on or after January 1, 2019. Normally, tax credits are designed to encourage taxpayers to take actions they may not otherwise undertake. This principle of sound tax policy is arguably undermined by providing a tax credit for actions that have already taken place (e.g., employees hired before this bill is enacted). By allowing a retroactive application of this credit to employees who have already been hired, this bill would reward some taxpayer behavior that has already occurred. To ensure that this credit serves as an incentive for future taxpayer behavior (and not a reward for past actions), Committee staff recommends an amendment to apply the credit to employees hired on or after January 1, 2020; the author has offered amendments to make this change to this bill which will be made in the next committee.
c) **Double dipping – allowing a credit and deduction:** Existing law provides a deduction for business expenses that are ordinary and necessary in conducting that trade or business. Generally, efficient tax policy disallows multiple tax benefits for the same item of expense. This bill allows a credit under the PIT Law for wages. Depending on the circumstances, it may be possible for a taxpayer to obtain a tax deduction for employee wages and a tax credit under the provisions of this bill.

d) **Committee’s tax expenditure policy:** SB 1335 (Leno), Chapter 845, Statutes of 2014, added R&TC Section 41, which recognized that the Legislature should apply the same level of review used for government spending programs to tax credits introduced on or after January 1, 2015. This Committee has recently adopted a new policy, requiring that all new tax expenditure proposals comply with the requirements of R&TC Section 41. A tax expenditure proposal must outline specific goals, purposes, and objectives that the tax expenditure will achieve, along with detailed performance indicators for the Legislature to use when measuring whether the tax expenditure meets those stated goals, purposes, and objectives. In addition to the R&TC Section 41 requirements, this Committee’s policy also requires that all tax expenditure proposals contain an appropriate sunset provision to be eligible for a vote. This bill, as currently drafted, complies with the Committee’s tax expenditure policy.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**
- California Apse
- California Easterseals Affiliates
- State Council on Developmental Disabilities
- State Independent Living Council
- The Arc of Amador And Calaveras
- The Arc San Joaquin

**Opposition**

None on file

**Analysis Prepared by:** Rose Marie Kinnee / REV. & TAX. / (916) 319-2098

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7 A "tax expenditure measure", is defined as legislation meeting either of the following criteria: (1) the measure proposes to extend, expand, or enact a credit, deduction, exclusion, exemption, or other tax preference (i.e., a tax expenditure program); or, (2) the measure proposes to eliminate or reduce one or more tax rates.

8 An "appropriate sunset provision" shall mean five years, except in the case of a tax expenditure measure providing relief to California veterans, in which case "appropriate sunset provision" shall mean 20 years.
SUMMARY:

This bill creates, for tax years 2020 through 2024, an income tax credit equal to 40% the wages of an employee with a disability, not to exceed $6,000. The employee is qualified if they are a vocational rehabilitation referral or a qualified Supplemental Security Income (SSI) or Social Security Disability (SSDI) recipient. This bill also requires the Employment Development Department (EDD) to report to the Joint Legislative Budget Committee on specified metrics related to the effectiveness of the proposed credit.

FISCAL EFFECT:

Annual General Fund Revenue loss of $1.8 million in 2019-20, $3.6 million in 2020-21 and $4.2 million in 2021-22.

COMMENTS:

1) **Background.** A number of state and federal programs aim to improve the hiring prospects of workers with disabilities. California’s Limited Exam and Appointment Program is an alternative selection process for state civil service designed to facilitate the hiring of persons with disabilities. The federal Ticket to Work Program provide eligible SSDI or SSI recipients with employment-related services, such as training, vocational rehabilitation and job placement.

Even with these programs, a person with a disability is more likely to be unemployed than a person without a disability. Supporters of this bill note that while 77.3% of working-age individuals were employed in 2017, only 36.8% of working-age individuals with disabilities were employed.

2) **Purpose.** According to the author, AB 1169 will lead to more employers to hire people with disabilities. Supporters note employers tend to view hiring workers with disabilities as costly and this bill would help then overcome this perception.

3) **Other states.** A number of other states offer state tax credits to encourage employers to hire workers with disabilities. For example, New York’s Workers with Disabilities Tax Credit is worth up to $2,100 per person hired, per year, and can be claimed only in the second year of employment. Maryland’s Disability Employment Tax Credit provides a credit up to $2,700 during the first and second year of employment. Iowa allows for a credit worth 65% of wages in the first 12 months of employment, up to $20,000 per employee.
ISSUE: State Plans in California Related to WIOA and CTE

BACKGROUND: The California Workforce Development Board (CWDB), Employment Development Department (EDD), Department of Rehabilitation (DOR) and Adult Education and Literacy programs are currently developing the Unified State Plan (Unified Plan) required by the Workforce Innovation and Opportunity Act (WIOA). The purpose of the Unified Plan is to detail strategies to implement and provide workforce strategies statewide with WIOA-funded programs.

Similarly, the California Department of Education (CDE) and the California Community Colleges Chancellor’s Office are currently developing the California State Plan for Career Technical Education (CTE) which will focus on the student-centered delivery of services, promoting equity and access, achieving system alignment, capacity building and more.

ANALYSIS/DISCUSSION: The Employment First Committee is charged with identifying and promoting strategies that increase the number of individuals with intellectual and/or developmental disabilities who engage in competitive integrated employment (CIE). The development of the state plans detailed on the following pages by the California Committee for the Employment of People with Disabilities (CCEPD) provide a unique opportunity for the Committee to provide input that promote strategies and identify possible the roles of state and local agencies that would enhance CIE opportunities for people with intellectual and/or developmental disabilities.

RECOMMENDATION: Staff recommends that the Committee consider helping draft input on the WIOA and CTE State Plans.

COUNCIL STRATEGIC PLAN OBJECTIVE: 2.1 and 2.2

PRIOR COMMITTEE ACTIVITY: N/A

ATTACHMENTS: CCEPD Unified State Plan Under the Workforce Innovation and Opportunity Act and California State Plan for Career Technical Education Detail Sheets

PREPARED BY: Robin Maitino-Erben and Cindy Smith, September 26, 2019.
Unified State Plan Under the Workforce Innovation and Opportunity Act

Overview
The Workforce Innovation and Opportunity Act (WIOA) is federal public law to strengthen the workforce development system with a focus on coordination among workforce programs. Section 102 of WIOA requires states to submit Unified State Plans (State Plans) or a Combined State Plan every four years and modifications at the end of the first two-year period of the plans. California elected to submit a Unified State Plan.

State Plans detail strategies for how states implement and provide workforce strategies statewide with WIOA-funded programs. In California, the California Workforce Development Board (CWDB) leads the development of the State Plan. WIOA also requires the Employment Development Department (EDD), Department of Rehabilitation (DOR) and Adult Education and Literacy programs, as core partners of WIOA, to develop a State Plan together with the CWDB. WIOA allows states to increase partnerships with other programs in the development of the State Plan.

The development of the new four-year State Plan will begin this year. The CWDB anticipates the release of a new technical guidance from the U.S. Department of Labor (DOL) in October. The final plan will then be submitted to the federal government in March of 2020.

The California Committee on Employment of People with Disabilities (CCEPD) will make comments on the State Plan to ensure inclusive workforce development strategies for people with disabilities. In this four-year cycle, the CCEPD will follow and review plan developments at the regional and local levels to assist with the identification of continued challenges and best practices that can be replicated in other areas of the state.

Background
California’s current State Plan was initially submitted to the DOL and United States Education Department (ED) in 2016. DOL approved the initial State Plan and later modifications were approved in 2018. Both the initial plan and plan with modifications were developed with three policy objectives in
mind: fostering demand-driven skills attainment; enabling upward mobility for all Californians; and aligning, coordinating, and integrating programs and services. The State Plan also developed seven policy strategies that feed into the policy objectives:

1. Using sector strategies
2. Using career pathways
3. Utilizing “earn and learn” strategies
4. Organizing regionally
5. Providing support services
6. Building cross-system data capacity
7. Integrating services and braiding resources

These objectives and strategies form the basis of the workforce development strategic planning for the State of California and are used as the policy framework for the CCEPD’s legislative mandate work. They also inform the work of the Regional Planning Units (RPUs) and the Local Workforce Development Areas (LWDAs).

WIOA allows for the expansion of partners and programs during the State Plan process. As the State Plan was modified in 2018, four additional partnerships and programs were added. These new partnership agreements included the CalFresh Employment and Training Partnership through the Department of Social Services; the Corrections Workforce Partnership with the Department of Corrections and Rehabilitation; partnership with the Prison Industry Authority; and the Department of Child Support Services.

During the 2018 State Plan modification process, the CCEPD developed a policy recommendation for more robust language for Competitive Integrated Employment (CIE) and Local Partnership Agreements as part of the State Plan and Vocational Rehabilitation portion of the State Plan. It was submitted to the Directors as informal feedback in 2017, and later adopted as part of the updated State Plan process.

Statewide strategies in the State Plan are expanded upon in the RPUs and LWDAs, where core partners and added state partners create strategies for employment and training at regional levels and service delivery improvements at the local levels. In 2018, the CCEPD reviewed RPUs to determine what employment and training strategies are identified for people with disabilities and the level of partnerships with the disability
communities. As a result of the review, the CCEPD provided comments to the CWDB on the Regional and Local Planning Guidance draft directive in an effort to increase collaboration with multiple disability organizations and urged the inclusion of strategies for disability in new partnership agreements.

As a result of the comments, the CWDB requested CCEPD provide contact lists for various disability entities, which were incorporated in a directory and on the website. The CWDB included language on partnership agreements for disability. The CWDB also reached out to CCEPD Chair, Executive Officer and Department of Developmental Services representative to participate in the review of LWDAs and CIE strategies, as part of the scoring and review of local plans.

At the July 31, 2019, CWDB meeting, information was shared on the State Plan. As publicly stated at the meeting, the State Plan will have the same policy objectives with the addition of apprenticeships and workforce professional development as potentially two additional elements to the State Plan. Language will incorporate alignment with the new administration’s priorities.

**Next Steps**
The DOL is scheduled to release the guidance for new State Plans in October. The CWDB will then hold a WIOA State Plan Subcommittee and determine structures of workgroups and specific timeframes, including a public comment period. The State Plan will be submitted to DOL and ED in March 2020 and DOL will then approve the State Plan in June 2020.

The CCEPD will provide written public comments to the CWDB once the commenting period. CCEPD Members are also interested in participating on workgroups for the development of the State Plan. Although the State Plan is not released and work on the State Plan is just beginning, CCEPD staff would like to start the discussion with the Subcommittee on what issues should be highlighted based on current and past work of the CCEPD.

Initial discussion questions for CCEPD Members on the development of the State Plan can include:
• How can the State Plan ensure students and people with disabilities have access to career technical education, career pathways, and apprenticeships?
• What professional development is needed for staff members of America's Job Center of California to ensure people with disabilities get the services they need?
• What disability organization partners should be included within the State Plan?
• What other strategies should be included for people with disabilities?
California State Plan for Career Technical Education

Overview
The California State Plan for Career Technical Education (CTE) is currently being developed by the California Department of Education (CDE) and the California Community Colleges Chancellor’s Office, as required by the Strengthening Career and Technical Education for the 21st Century Act, also known as Perkins V. The California Committee on Employment of People with Disabilities (CCEPD) staff attended the Career Workforce Pathways Joint Advisory Committee (CWPJAC) to hear about the development of the California State Plan for CTE on September 13, 2019.

At the CWPJAC September 13, 2019 meeting, a timeline and a two-thirds draft of the plan were released. At the same meeting, the CWPJAC received an overview of the timeline and discussed the need for additional stakeholder input. Subsequent drafts will be provided to the CWPJAC and be made public. However, the CCEPD staff reviewed the initial State Plan to assist in the development of comments from the CCEPD. During the Employment and Training (E&T) Subcommittee meeting, Members will review the State Plan for CTE and assist staff in developing the themes and areas where the CCEPD will make comments regarding the State Plan for CTE.

Highlights from State Plan for CTE
The CWPJAC developed guiding policy principles (pages 107-111) that provided the framework for the new plan. Policy principles included the following:

A. Focus on a **Student-Centered Delivery of Services** for all K–14+ college and career pathways, which accommodates multiple entry points to facilitate students’ needs to build their skills as they progress along a continuum of education and training or advance in a sector-specific occupation or industry.

B. Promote **Equity and Access** by eliminating institutional barriers and achievement gaps for all students to realize their educational and career aspirations.

C. Achieve **System Alignment** in the economic regions of the State to create a comprehensive and well-defined system of articulation of high-quality K–14+ pathway courses (i.e., both in-person and online).
and work-based learning opportunities with a specific emphasis on
career technical education (CTE). Bring greater coherence to
programming, common use of terminology, appropriate data
collection and sharing, and attainment of student outcomes in a
timely way that lead to upward mobility in California’s industry
sectors. System alignment allows for greater student portability and
career advancement.

D. Support the **Continuous Improvement and Capacity Building** at all
levels and components to ensure smooth transitions in the system
and focus efforts on implementation of state standards, attainment of
student outcomes, and a strengthening of California’s regional
economies.

E. Ensure that **State Priorities and Direction Lead the State Plan** with
opportunities in Perkins V leveraged to assist in accomplishing the
State goals and objectives for student achievement, also known as
“the California Way.”

These policy principles guided the writing of the State Plan for CTE. The
CWPJAC continually highlighted and emphasized that the State Plan
ensures that State Priorities and Direction Lead the State Plan. The State
Plan for CTE notes many of the existing California programs and initiatives,
such as the Career Technical Education Incentive Grant (CTEIG), the
Strong Workforce Program (SWP), and the California Career Pathways
Trust (CCPT), to leverage and build on current resources for CTE and
career pathways.

**Chapter Three of State Plan and Needed Member Feedback**

Since the State Plan is being written, only chapter three and appendices
were developed. Chapter three of the State Plan for CTE outlined the
elements for career pathways, discussed the elements to create actions
and strategies for each of the following areas:

- Student-Centered Delivery of Services
- Equity
- Access
- Leadership at All Levels
- High-Quality, Integrated Curriculum and Instruction
- Skilled Instruction and Educational Leadership, informed by
  Professional Learning
• Career Exploration and Student Supports
• Appropriate Use of Data and Continuous Improvement
• Cross-System Alignment
• Intentional Recruitment and Marketing
• Sustained Investments and Funding through Mutual Agreements

Not all sections are completed in chapter three; however, there are sections with information and actions needed completed, such as Leadership at All Levels, Career Exploration and Student Supports, Appropriate Use of Data and Continuous Improvement, Cross-System Alignment, Sustained Investments and Funding through Mutual Agreement. Chapter four, five and six are being developed through stakeholder meetings. Members should review those sections and provide feedback to staff to assist with formulating comments.

The E&T Subcommittee supported an overall policy recommendation, which was approved at the August 2019 CCEPD Full Committee meeting:

“The CCEPD recommends the Labor and Workforce Development Agency and agencies operating employment programs located in the Health and Human Services Agency create inclusive strategies for career technical education (CTE) and career pathway programs for students with disabilities. As a special population listed under Perkins V law and the Workforce Innovation and Opportunity Act (WIOA), the percentage of students with disabilities in these programs should be in parity with the percentage of all people with disabilities in the local area.

In order to accomplish this goal, we recommend CTE and career pathway inclusion strategies, such as cross training of CTE teachers to enhance their curriculum to accommodate students with disabilities, and to strengthen coordination with Local Partnership Agreements in alignment with the Competitive Integrated Employment (CIE) Blueprint and the Department of Rehabilitation (DOR) Student Services.

The CCEPD also recommends that any WIOA Unified State Plan updates incorporate specific strategies for increasing the inclusion of people with disabilities in CTE and career pathway programs.
CCEPD Members can assist with research if needed and engage in policy discussions as the Plan’s update process begins.”

Based on this initial recommendation, the E&T Subcommittee should consider making comments on the following:

- More system alignment and more partnership development among state entities for students with disabilities
- Data and the need for parity
- Professional development for CTE teachers
- Strategies for recruitment and outreach to students with disabilities

CCEPD’s policy recommendation can also help guide the CCEPD’s comments for the remaining plan.

Additionally, the E&T Subcommittee should consider the following questions to determine if more specific comments are needed:

- What professional development is most important for CTE teachers in meeting the needs of students with disabilities?
- What recruitment and outreach strategies would be most beneficial to improve participation in CTE courses for students with disabilities?
- What partnerships are needed at the statewide level to create more system alignment for students with disabilities

**Special Population and Joint Special Populations Advisory Committee**

The State Plan for CTE also highlights the needs of special populations. Through CCEPD staff work, contact has been made with the Joint Special Populations Advisory Committee (JSPAC). The JSPAC, a committee which includes private and public members who address the needs of special populations in CTE programs, is funded through the federal Perkins program. The Executive Officer of CCEPD will attend a JSPAC meeting on September 20, 2019. A report will be provided to the E&T Subcommittee and the Executive Officer will ask for feedback on future and ongoing collaborations.

Special populations are broadly highlighted throughout the report. Entities who provide services to students with disabilities are also highlighted in the appendix (page 165) and highlighted professional development (page 170). Appendix E is a format and required information by the U.S. Department of Education.
State Plan for CTE Timeline
CDE will present an updated draft of the plan at the CWPJAC meeting on October 11. A full draft of the plan will be completed later in October and shared at the CWPJAC meeting on November 8. CDE will hold a public meeting, specific to the plan, in Sacramento on November 13 and public comment/feedback survey will be opened between November 15 and December 20.

The full plan will then be presented to the State Board of Education (SBE) on January 8, 2020 and California Community Colleges Board of Governors (BOG) on January 13, 2020. The CWPJAC will provide final input at their January 31, 2020 meeting. The SBE will approve the final plan on March 12, 2020, and then it will be sent to Governor for approval by April 12, 2020. The plan will be submitted to the U.S. Department of Education by April 15, 2020.

- Should the CCEPD provide comments to all four entities (CDE, SBE, CWPJAC, and BOG) approving and developing the plan? Or should the CCEPD only make comments to CDE?

Following discussion on the above questions, CCEPD staff will develop written public comments for approval at October’s E&T Subcommittee. CCEPD staff will also review new portions of the state plan and update the E&T Subcommittee accordingly.
AGENDA ITEM 8.
INFORMATIONAL ITEM

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES – EFC

Update and Discussion on Data Sharing Legislation Implementation

Michael Luna will provide an oral update on the status of implementation of the data sharing bills sponsored by the SCDD.

Attachment(s)
None

Handout(s)
May be handouts the day of meeting.
AGENDA ITEM 9.
INFORMATIONAL ITEM

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES – EFC

*Update on CIE Blueprint Implementation*

Michael Luna with the Department of Developmental Services and Cindy Chiu with the Department of Rehabilitation will provide an oral update on progress of the Blueprint Implementation across the Departments.

*Attachment(s)*
None
October 8, 2019

AGENDA ITEM 10.
ACTION ITEM

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES – EFC

EFC’S Activities for 2020

Following up on the August 15, 2019 meeting, the Committee members will identify the steps needed to potentially accomplish each of the possible activities identified for 2020 and how each organization/agency can contribute to accomplishing the activities. This is an important step in working to achieve the goals, priorities, and policy recommendations previously established by the Committee. This process will ensure the Committee makes tangible progress to accomplish these activities.

Committee members will also discuss what role the below possible new ad-hoc members will have in completing the identified activities.

- Business organization such as the Chamber of Commerce or employer
- Transition age self-advocate looking for or working in CIE
- Exceptional Family Resource Center
- Supported employment provider
- California Workforce Board

Action Recommended
The Committee will determine the action steps by each organization/agency represented on the Committee to accomplish the four possible identified activities and how each member of the Committee will contribute to achieving the possible activities for 2020.

Attachment(s)
Activity Worksheet

Handout(s)
Possible Handouts the day of meeting.
<table>
<thead>
<tr>
<th>GOAL</th>
<th>ACTIVITY</th>
<th>POSSIBLE STRATEGIES TO GET THERE</th>
<th>ACTION STEPS</th>
<th>ROLE OF EACH MEMBER ORGANIZATION/AGENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Engage businesses via work experience, work-based learning, and customized employment, or internship/apprenticeship to build a direct pipeline to meet business talent needs</td>
<td>Provide input to the new workgroup of the IACA. Support and/or possibly introduce legislation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Support legislation to do away with 14c in California</td>
<td>Explore options with a small workgroup.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Convene a statewide Conference for self/family advocates and providers to identify opportunities for benefit planning (CalABLE), transportation options, assistive technology, job accommodations, etc.</td>
<td>Partner with California Transitions Conference to host a track at their annual statewide conference.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Enhance customized employment services by bringing more resources to California</td>
<td>Support and/or possibly introduce legislation. Leverage current resources by collaborating with stakeholders.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>