

Date of Hearing: March 28, 2017

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS

Rudy Salas, Chair

AB 827 (Rubio) – As Amended March 21, 2017

SUBJECT: Department of Consumer Affairs: task force: foreign-trained professionals.

SUMMARY: Establishes the California Opportunity Act of 2017, which requires the DCA to create a task force to study and write a report of its findings and recommendations regarding the licensing and workforce integration of foreign-trained professionals, as specified; authorizes the task force to hold hearings and invite testimony from experts and the public to gather information; and requires the task force to submit the report to the Legislature no later than January 1, 2019, as specified.

EXISTING LAW:

- 1) Establishes the Department of Consumer Affairs (DCA) within the Business, Consumer Services, and Housing Agency. (Business and Professions Code (BPC) § 100)
- 2) Provides for the licensure and regulation of various professions and vocations by boards, bureaus, and other entities within the DCA. (BPC §§ 22, 100-144.5)
- 3) Specifies that the DCA is under the control of a civil executive officer who is known as the Director of Consumer Affairs and specifies the duties and authority of the Director. (BPC §§ 150-166)
- 4) Authorizes the DCA to levy a charge for estimated administrative expenses, not to exceed the available balance in any appropriation for any one fiscal year, in advance on a pro rata share basis against any of the boards, bureaus, commissions, divisions, and agencies, at the discretion of the director and with the approval of the Department of Finance. (BPC § 201)
- 5) Establishes the Bagley-Keene Open Meetings Act, which covers all state boards and commissions and requires them to publicly notice their meetings, prepare agendas, accept public testimony, and conduct their meetings in public unless specifically authorized to meet in closed session. (Government Code (GOV) §§ 11120-11132)
- 6) Specifies the requirements and procedures for submitting reports to the Legislature. (GOV § 9795)

THIS BILL:

- 1) Declares that the act enacted under this bill shall be known as the California Opportunity Act of 2017.
- 2) Requires the DCA to create a task force to study and write a report on the licensing of foreign-trained professionals with the goal of integrating foreign-trained professionals into the state's workforce.
- 3) Specifies that the task force shall consist of the following 15 members:

- a) The Secretary of the Business Consumer Services, and Housing Agency, or his or her designee, who shall serve as the chair of the task force.
 - b) One member appointed by the Governor.
 - c) One member appointed by the President Pro Tempore of the Senate.
 - d) One member appointed by the Speaker of the Assembly.
 - e) One member of the Regents of the University of California.
 - f) One member of the Trustees of the California State University.
 - g) One member of the Board of Governors of the California Community Colleges.
 - h) Four members appointed by the Governor who are representatives of the private sector from diverse regions in the state.
 - i) Four members appointed by the Governor who are representatives of nonprofit organizations that serve the immigrant community from diverse regions in the state.
- 4) Requires the task force to write a report of its findings and recommendations, which must include at least the following:
 - a) Strategies to integrate foreign-trained professionals and methods of implementing those strategies.
 - b) Identification of state and national licensing regulations that potentially pose unnecessary barriers to practice for foreign-trained professionals, corresponding changes to state licensing requirements, and opportunities to advocate for corresponding changes to national licensing requirements.
 - c) Identification of best practices learned from similar efforts to integrate foreign-trained professionals into the workforce in other states.
 - 5) Authorizes the task force to include in the report guidelines for full licensure and conditional licensing of foreign-trained professionals.
 - 6) Authorizes the task force to hold hearings and invite testimony from experts and the public to gather information.
 - 7) Requires the task force to submit the report to the Legislature no later than January 1, 2019, and in compliance with GOV § 9795.

FISCAL EFFECT: Unknown. This bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the Coalition for Humane Immigrant Rights (CHIRLA). According to the author, “Since its inception immigrants have had a vital role in contributing to California’s economic growth and prosperity. Many of these individuals come prepared with

prior education and training for their native country and the skill sets to immediately enter into the industries that they once practiced. However, many college-educated immigrants find themselves working in industries where they are not able to apply their skill sets, forcing them to be underemployed. Many of the limitations and barriers they face surround the evaluation process of foreign degrees and training outside of the United States. California has a great opportunity to take advantage of a prepared and skilled workforce by examining how we can improve licensing for skilled immigrants.”

Background. This bill establishes a task force to explore the barriers foreign-trained professionals face when seeking licensure and entering the workforce. In California, many professions require a license to legally practice. Many of the professional licenses are administered by licensing boards, bureaus, and other entities within the DCA. The DCA licensing entities are established to protect the people of California through adequate regulation of businesses and professions that engage in activities that risk harm to the health, safety, and welfare of the public (BPC § 101.6).

The licensing entities establish the minimum level of competency required to engage in the occupations they regulate. As a result, an applicant seeking a license to practice from a licensing authority must demonstrate the ability to provide safe and effective services to the public. However, to avoid creating unnecessary barriers to entering a profession, the requirements should not require more than the minimum amount of training, education, and experience necessary to practice safely.

Foreign-Trained Applicants for Licensure. According to the author, “the biggest barrier that those with foreign degrees face is the accreditation process that regulatory agencies have for licensing professionals with experience or education outside the country.” Specifically, the author notes that barriers include “access to information regarding process, timeliness of degree evaluation, and the acceptance of foreign credentials, among others.” Therefore, this bill requires the task force to identify in its findings and recommendations: 1) state and national licensing regulations that potentially pose unnecessary barriers to practice for foreign-trained professionals; 2) corresponding changes to state licensing requirements that will address the barriers; and 3) ways to advocate for the corresponding changes at the national level.

In October 2016, the Little Hoover Commission published a report entitled *Jobs for Californians: Strategies to Ease Occupational Licensing Barriers* (Report #234). Among other things, the report addressed issues specific to foreign-trained workers. The Commission found that “Foreign-trained workers, particularly bilingual professionals, are well suited to ease California’s impending worker shortages” (pages 6, 33-35). However, “their education and experience abroad is difficult to apply to state licensing requirements” (page 6).

To address this issue, the Commission made the following recommendations (page 38):

Recommendation 7: The Legislature should require California colleges and training academies to create bridge education programs for veterans and workers trained outside of California to help them quickly meet missing educational requirements. Specifically:

- California licensing boards and other departments providing licenses and credentials should identify common educational gaps between the qualifications of returning service members and state licensing requirements.

- California colleges should create and offer programs to fill these gaps and expedite enrollment – or risk losing authorization for these programs.

Recommendation 8: The State of California should develop interim work and apprenticeship models to provide opportunities for people missing certain qualifications to work while meeting their requirements, and to promote upward mobility within career paths.

Workforce Integration. According to the author, in addition to the immediate obstacles of adjusting to the culture and practices of a new country, immigrants with foreign degrees face challenges when trying to re-enter their prior profession, resulting in underemployment (working in a sector below their skill level). The author states that “[s]ome of these barriers include lack of access to English proficiency programs, legal status, or access to professional networks.” Therefore, this bill requires the task force to explore and implement strategies to integrate foreign-trained professionals into the workforce.

Currently, California pursues efforts to train, educate, and create opportunities for workers under the Workforce Investment Act of 1998 (WIA), which is currently the federally-funded workforce development system. The subsequent federal Workforce Innovation and Opportunity Act (WIOA) builds upon and supersedes WIA.

The California State Workforce Development Board (WDB) implements WIA and WIOA at the state level. The WDB’s goal is to develop a unified, strategic planning process to coordinate various education, training, and employment programs into an integrated workforce development system that supports economic development. The members of the WDB are appointed by the Governor and represent different areas of workforce development – business, labor, public education, higher education, economic development, youth activities, employment and training, and the Legislature.

The WDB coordinates with WIOA core programs operated by the California Department of Education (CDE), the Employment Development Department (EDD), and the Department of Rehabilitation (DOR), to submit a unified state plan to the Department of Labor and the United States Education Department (ED). In the Little Hoover Commission’s report, it suggested that the state should also “look to its own State Workforce Plan and concentrate resources on developing pathways for upward mobility within the areas of expected job needs” (page 35).

IMPLEMENTATION ISSUES:

- 1) It is not clear how the task force is funded. If this bill passes this Committee, the author may wish to work with the DCA to identify a proper funding source.
- 2) Given the scope of the report, the amount of time proposed in this bill may be insufficient. If this bill passes this Committee, the author may wish to work with the DCA to determine the proper amount of time required to implement the task force and prepare the report, provide sufficient time to find appointees, establish a strategic plan, select meeting dates, and take care of other housekeeping items.

AMENDMENTS:

- 1) This bill requires the DCA to establish the task force but specifies the Secretary of Business, Consumer Services, and Housing as the chair of the task force. Since the DCA establishes the task force, the author should amend the bill to replace the Secretary of Business, Consumer Services, and Housing with the Director of Consumer Affairs:

(1) ~~The Secretary of the Business Consumer Services, and Housing Agency,~~ *Director of Consumer Affairs*, or his or her designee, who shall serve as the chair of the task force.

- 2) To further clarify the duties and responsibilities of the task force, the author should amend the bill to specify the minimum number of times the task force must meet, clarify that it must comply with the Bagley-Keene Open Meeting Act, and specify the compensation of task force members:

The following shall also apply:

(1) The task force shall meet at least once a calendar quarter. The task force shall meet at least once in northern California, once in central California, and once in southern California to facilitate participation by the public.

(2) A majority of the appointed task force members shall constitute a quorum. Task force meetings shall be held in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(3) Each member shall receive a per diem of one hundred dollars (\$100) for each day actually spent in the discharge of official duties, and shall be reimbursed for traveling and other expenses necessarily incurred in the performance of official duties.

Notwithstanding any other provision of law, no public officer or employee shall receive per diem salary compensation for serving on the task force on any day when the officer or employee also received compensation for his or her regular public employment.

- 3) To provide additional guidance to the task force, the author should amend the bill to require the task force to explore methods for implementing the Little Hoover Commission's recommendations aimed at assisting foreign-trained workers:

(c) (1) The task force shall write a report of its findings and recommendations regarding the licensing of foreign-trained professionals, that include, but are not limited to, the following:

(A) Strategies to integrate foreign-trained professionals and methods of implementing those ~~strategies~~. *strategies, including those recommended by the Little Hoover Commission in its October 2016 report entitled Jobs for Californians: Strategies to Ease Occupational Licensing Barriers (Report #234).*

(B) Identification of state and national licensing regulations that potentially pose unnecessary barriers to practice for foreign-trained professionals, corresponding changes to state licensing requirements, and opportunities to advocate for corresponding changes to national licensing requirements.

(C) Identification of best practices learned from similar efforts to integrate foreign-trained professionals into the workforce in other states.

- 4) To ensure the task force recommendations encompass a full range of perspectives, the author should amend the bill to list some of the stakeholders the task force should be required to reach out to:

The task force shall solicit input from a variety of government agencies, stakeholders, and the public, including, but not limited to, the following:

- (1) The Little Hoover Commission.*
- (2) The California Workforce Development Board.*
- (3) The Department of Industrial Relations.*
- (4) In- and out-of-state licensing entities.*
- (5) Professional associations.*
- (6) Labor and workforce organizations.*

REGISTERED SUPPORT:

Coalition for Humane Immigrant Rights (sponsor)

REGISTERED OPPOSITION:

None on file.

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