Date of Hearing: April 17, 2012

ASSEMBLY COMMITTEE ON HIGHER EDUCATION Marty Block, Chair AB 1618 (Galgiani) – As Amended: April 10, 2012

SUBJECT: High-speed rail.

<u>SUMMARY</u>: Requires the High-Speed Rail Authority (HSRA) to consult with the University of California (UC), the California State University (CSU), and the California Community Colleges (CCC) to determine how the state can meet its educational workforce needs related to the future high-speed rail (HSR) operations and maintenance workforce. Specifically, <u>this bill</u>:

- 1) Requires HSRA to consult with UC, CSU, and CCC to determine how the state can best meet the educational needs for the future HSR operations and maintenance workforce, including but not limited to the use of extension programs, contract education, and new or revised academic programs.
- 2) Requires HSRA to seek federal assistance for these purposes.
- 3) Requires HSRA to report to the Legislature and the Governor on or before July 1, 2014, regarding implementation of this bill, pursuant to existing law.

EXISTING LAW:

- 1) Sets forth the missions and functions of the three segments of public higher education (Education Code § 66010.4), including UC, which is administered by the UC Regents (California State Constitution, Article IX, Section 9).
- Creates the High-Speed Rail Authority (HSRA) with a nine-member governing board, including five members appointed by the governor, two members appointed by the Senate Rules Committee, and two members appointed by the Speaker of the Assembly. (Public Utilities Code § 185000 et. seq.)
- 3) Provides \$9 billion in funding for high-speed rail redevelopment and \$950 million for improvements to urban rail transit systems, intercity rail, and commuter rail, authorized by Proposition 1A, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters at the November 2008 general election. Proposition 1A limits the expenditure of bond revenues for the construction of the high-speed rail system to not more than 50% of the cost of building the system and not more than 10% of bond proceeds to environmental studies, planning, and preliminary engineering. It also requires that up to two percent of the bond proceeds shall be for the administration of the HSRA. (Streets and Highways Code § 2704)

FISCAL EFFECT: Unknown

<u>COMMENTS</u>: This bill is double-referred to the Assembly Transportation Committee.

<u>Background</u>. According to the March 2012 study, "Estimating Workforce Development Needs for High-Speed Rail in California," by the Mineta Transportation Institute at San Jose State University, approximately 256,000 workers will be employed who will need training and education specific to high speed rail (HSR) technologies. The study identifies four phases of workforce needs, including the final stage—operations and maintenance—which begins in 2021. The study finds that California will need 32,184 HSR operations and maintenance employees with the following educational needs:

- 13% less than high school
- 42% high school
- 9% associate's degree
- 24% some college/no degree
- 9% baccalaureate degree
- 3% master's degree

<u>HSR educational needs</u>. According to the Mineta Institute study, "An adequate system of rail education and training does not yet exist at the state or the national level, especially in these areas that have been identified as HSR-related technologies. Operations maintenance personnel require specialized, highly detailed, and technology-related training that may warrant a concentrated focus in the development of a modern HSR curriculum.

<u>Need for this bill</u>. According to the author, "The proposed high-speed rail project will be a very significant event in the history of the state of California. In order for the project to best serve the community and become a source of continued employment, we will need a trained workforce prepared to take on the challenges presented by this project."

<u>Options for meeting HSR educational needs</u>. The Mineta Institute study notes, "A central 'learning center' housed at a university, community college, or trades training center might appropriately serve as a central location with the responsibility and mandate to conduct the training needed as well as disseminate the operations and maintenance practices and protocol through university and college satellites." However, there may be other means to provide this education that utilize non-state supported higher education programs, including UC and CSU extension programs, which provide continuing and specialized education to working professionals, as well as CCC contract education, through which companies can contract with a CCC campus for specific training and education for its workforce. Contract education units help employers reach specific business goals by providing needs analysis, skills assessments, and education/training opportunities at the worksite. The training provided is customized and focused on the industry, driven by market demand.

<u>Prior legislation</u>. SB 964 (Alquist, 2010), which was vetoed by the Governor, would have required an HSR workforce-needs assessment.

REGISTERED SUPPORT / OPPOSITION:

<u>Support</u> None on file.

Opposition None on file.

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