

Date of Hearing: April 18, 2017

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 669 (Berman) – As Introduced February 14, 2017

**SUBJECT:** Economic development: California Community Colleges Economic and Workforce Development Program

**SUMMARY:** Extends the California Community Colleges (CCC) Economic and Workforce Development Program (EWDP) sunset date from January 1, 2018 to July 1, 2023.

**EXISTING LAW:**

- 1) Establishes the EWDP and specifies the program's mission and goals and an administrative structure for the program (Education Code (EC) Section 88600 et seq) that includes:
  - a) The California Community Colleges Business Resource Assistance and Innovation Network Trust Fund. (EC Section 88625)
  - b) Centers and Regional Collaboratives. (EC Section 88630 et seq)
  - c) The Job Development Incentive Training Program. (EC Section 88640 et seq)
- 2) EWDP is administered through the CCC Chancellor's office which is required under current law to implement accountability measures and annually report specified information to the Governor and the Legislature. (Education Code Section 88650 et. seq)
- 3) Requires the CCC Board of Governors to assist economic and workforce regional development centers and consortia to improve linkages and career technical education (CTE) pathways between high schools and CCCs in a manner that improves the quality of career exploration. (EC Section 88532)

Current federal law, the Workforce Innovation and Opportunity Act (WIOA), is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy.

**FISCAL EFFECT:** Unknown

**COMMENTS:** *EWDP Background.* The California Community Colleges (CCC) system serves 2.1 million students. Existing law establishes economic development as part of the core mission of the CCC system and authorizes the EWD Program, until January 1, 2018.

The purpose of the EWDP is to advance California's economic growth and global competitiveness through education and services that contribute to continuous workforce improvement, technology deployment, and business development and are consistent with the current needs of the state's regional economies. CCCs and business partners form consortia to identify regional workforce needs and priorities, provide assistance to small businesses in the

region through local Economic and Workforce Development Centers, and train workers. The partnerships enable CCCs to develop curricula that address the training needs of local industry.

Codified in 1991, the EWDP formalized earlier efforts to coordinate statewide technical training and programs for small businesses and economic development. SB 1809 (Polanco), Chapter 1057, Statutes of 1996, further clarified the EWDP's legislative intent, defined regional planning, priority setting and coordination, added accountability and audit requirements, and made economic development and continuous workforce improvement a primary CCC mission.

SB 1402 (Lieu) was approved by the Legislature in 2012, and extended EWDP's sunset through January 1, 2018. SB 1402 also made several changes to the EWDP, which included:

- 1) Adding six principles to the program's mission, including collaboration with other institutions, making data driven and evidenced-based funding decisions, and developing strong partnerships with the private sector.
- 2) Updating the mission of the EWDP to reflect the need to implement sector strategies that align with labor markets
- 3) Enhancing the role of the program's advisory committee to ensure that funding is responsive to changing local market needs.
- 4) Specifying minimum program outcome measures to be implemented by the CCC Chancellor's Office.
- 5) Requiring the Chancellor's Office, by January 1, 2015, to contract for an independent evaluation of the program's effectiveness, the findings of which shall be provided to the Legislature by March 1, 2016.

The legislatively-mandated report required in SB 1402 and conducted by the Legislative Insights Center at California State University, Sacramento, and published in February 2016, found that, "...EWD is an important component of the state's career technical education, or CTE, program. Using a multi-level delivery and support system and a regional and sector-specific structure, EWD works within the broader CTE-focused effort of [the CCC's Doing What Matters for Jobs and the Economy initiative], connecting employers with educators to promote alignment of workforce development needs and community college educational offerings. EWD has experienced pains typical of a newly restructured program, such as difficulty with clarity in grantee roles, management of grants, development of a new data system, and program awareness and marketing."

The 2016 EWDP Annual Report shows that CCCs play an integral role in helping California build its workforce despite budget cuts and stagnant economic growth. The report noted that during the reporting period, 48,027 students were served by the program, with 59,879 total people trained. The report also noted that 1,628 people were hired by businesses served by EWD, and 19 new products and services created by businesses across California with the support of EWD services.

*Need for this Bill.* According to the author, "...by facilitating partnerships through grants, the EWD Program enables the creation of tools to better serve students and workers. However, this valuable program is set to expire on January 1, 2018."

AB 669 would extend the program until July 1, 2023. The sunset date would match the fiscal year to better align the program with the budget. This bill would ensure that the EWD Program continues to help provide future economic stability for students while providing the skilled workforce necessary to meet California's needs.

**REGISTERED SUPPORT / OPPOSITION:****Support**

California Chamber of Commerce  
California Hospital Association  
California Manufacturers and Technology Association

**Opposition**

None on file

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