

Date of Hearing: April 9, 2013

ASSEMBLY COMMITTEE ON HIGHER EDUCATION  
Das Williams, Chair  
AB 684 (Medina) – As Amended: March 21, 2013

SUBJECT: Workforce training: General Educational Development (GED) test preparation: grants.

SUMMARY: Authorizes the California Workforce Investment Board (Board) to provide grants from available state and federal funds to accredited institutions that provide instruction to persons who are preparing for the GED test and that apply to the Board to receive grants. Specifically, this bill:

- 1) Declares that the Legislature believes it is important to increase the number of Californians who obtain a marketable and industry-recognized credential or degree; recognizes that it is important to advance the education and training of California students and workers so that they can keep pace with the education and skill needs of the state, its regional economies, and leading industry sectors; and expresses the intent of the Legislature to provide funding to institutions that offer instruction to persons who are preparing for the GED test so that more Californians may pass the GED test and become eligible to receive financial aid when they matriculate to a postsecondary institution for a degree or vocational training certificate.
- 2) Authorizes the Board to provide grants from state and federal funds that are available to the Board for the purpose of workforce training, to accredited institutions that provide instruction to individuals that are preparing for the GED test and apply to the Board for a grant.
- 3) Requires the Board to develop and adopt regulations and procedures for the process of receiving and evaluating applications for grants from accredited institutions offering GED training.

EXISTING LAW:

- 1) Provides for a variety of student financial aid programs including the Cal Grant programs, the CCC Board of Governors (BOG) fee waiver, a variety of systemwide and/or campus-specific grant and/or loan programs, and other state-administered financial aid programs. Participation in these programs is, among other criteria, typically needs-based and limited to California residents (Education Code [EC] § 69433).
- 2) Requires the State Superintendent of Public Instruction to issue a California high school equivalency certificate to any person who has not completed high school and who meets a variety of requirements, including successfully passing the GED (EC § 51420).
- 3) Requires the California Workforce Investment Board to assist the Governor in the development, oversight, and the continuous improvement of California's workforce investment system (Unemployment Insurance Code § 14010).

FISCAL EFFECT: Unknown

COMMENTS: Background. According to two recent Public Policy Institute of California (PPIC) reports, by the year 2025, demand for college-educated workers will outstrip the supply. Researchers estimate that California will need an additional 1 million to 3.5 million workers with some postsecondary education training. However, the most recent statistics from the US Census Bureau indicate that approximately 19% of California persons do not hold a high school diploma or a GED, ranking California 45<sup>th</sup> in the nation in high school completion, according to a recent study by the National Center for Education Statistics.

In the past, students without a high-school diploma or GED could apply for federal financial aid through the Ability to Benefit (ATB) test; however, this option was eliminated last year, affecting the ability of students to enroll in programs to complete their high school education.

Need for the bill. According to the author, the elimination of the ATB test reduced the opportunity for California's low-income persons without a high school diploma or GED to access federal financial aid. This includes the loss of eligibility for Pell Grants and other financial aid to non-high school graduates interested in enrolling and preparing to take the GED test in an accredited post-secondary training center on or after July 1, 2012.

According to the author, California will receive an estimated \$454 million from the federal government this year in order to provide services for adults, unemployed workers and youth. Allocation of state Workforce Investment Act funds for adults pursuing a GED while attending accredited training education centers will facilitate in the ability of low-income individuals having the ability to receive their GED, enabling them to qualify for Pell Grants and other forms of federal financial aid.

The Workforce Investment Act of 1998 (Public Law 105-220). The California Workforce Investment Act established the workforce investment boards in every state to provide a comprehensive range of workforce development activities through statewide and local organizations. These activities, provided in local communities, can benefit the unemployed of all ages, veterans, persons with disabilities and employers.

Accredited training centers. According to the Western Association of Schools and Colleges (WASC) Accrediting Commission for Schools, there are 197 WASC-accredited training centers. These centers are relatively equally disbursed in all regions throughout the state.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.