

Date of Hearing: April 28, 2015

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 907 (Burke) – As Amended March 26, 2015

[Note: This bill is doubled referred. On April 8, 2015, this bill was heard and approved by a vote of 7-0 in the Assembly Committee on Education.]

SUBJECT: Career training: adult students

SUMMARY: Authorizes the Superintendent of Public Instruction (SPI) to provide "state authorization" and a complaint process for adult education programs; this authority is necessary for adult education programs to meet eligibility requirements in order to continue to participate in federal student financial aid. Specifically, **this bill:**

- 1) Establishes the following findings and declarations:
 - a) Career training for adults is an important part of workforce and economic development in California;
 - b) Many of California's neediest adult students require financial aid to support their career training;
 - c) Historically, those adult students have had access to federal financial aid under Title IV of the federal Elementary and Secondary Education Act (20 U.S.C. Sec. 6301 et seq.);
 - d) Recent revisions in federal regulations governing Title IV of the federal Elementary and Secondary Education Act (20 U.S.C. Sec. 6301 et seq.) have eliminated the eligibility for financial aid for adult students in many of California's career training programs operated by local educational agencies, even though adults in those programs have been historically eligible.
 - e) The Legislature supports:
 - i) Adult students' access to career training programs that will improve or expand their job skills and employability.
 - ii) Adult students' access to federal financial aid that may be used for career training programs and services.
 - iii) Providers of career training programs for adult students, as those providers work to satisfy federal requirements necessary to establish federal financial aid eligibility for those adult students.
- 2) Authorizes the SPI to certify, by name, any regional occupational center or program, county office of education, or adult education program, that provides a program of training to

prepare adult students for gainful employment in a recognized occupation or that leads to a degree or certificate, for purposes of participation in student financial assistance authorized by Title IV of the Higher Education Act of 1965, as amended.

- 3) Requires a regional occupational center or program, county office of education, or adult education program applying for certification to comply with both of the following:
 - a) Satisfy all applicable eligibility requirements specified in federal rulemaking pursuant to Sections 600.6, 600.7, and 600.9 of Title 34 of the Code of Federal Regulations; and,
 - b) Apply in writing to the Superintendent, as an individual center, program, or office, to be considered for certification.
- 4) Provides that any person may file a complaint under the Uniform Complaint Procedures, as set forth in Title 5 of the California Code of Regulations, regarding an alleged violation by a local agency of federal or state law or regulations governing adult education programs or regional occupational centers and programs, including allegations of unlawful discrimination, harassment, intimidation, or bullying.
- 5) Requires the SPI to adopt regulations that authorize any person to file a complaint under the Uniform Complaint Procedures, as set forth in Title 5 of the California Code of Regulations, regarding an alleged violation by a county office of education of federal or state law or regulations governing that county office's participation in any student financial assistance program authorized by Title IV of the Higher Education Act of 1965, as amended, including allegations of unlawful discrimination, harassment, intimidation, or bullying.

EXISTING LAW: Title IV of the Federal Higher Education Act of 1965, as amended, establishes the federal student aid program, administered by the United States Department of Education (USDE) to provide grants, loans and work-study funds from the federal government to eligible students enrolled in eligible colleges or career schools.

FISCAL EFFECT: Unknown.

COMMENTS: *Background.* On October 29, 2010, the United States Department of Education (USDE) issued regulations to improve the integrity of programs authorized to receive federal student financial aid funding under Title IV of the Higher Education Act of 1965, as amended. Among numerous other requirements, largely directed at for-profit and career colleges, the regulations required institutions to be (1) "authorized" by the state in which they operate, and (2) to ensure a state-level student complaint process. Initially slated to take effect by July 1, 2013, concerns over the lack of state-level processes for institutions to address compliance, implementation of these regulations has been delayed until July 1, 2015.

In California, the University of California (UC), the California State University (CSU), and the California Community Colleges (CCC) appear to meet the Title IV requirements through the "state authorization" provided through their explicit recognition in statute and the oversight/complaint process established by their segmental offices (UC Office of the President, CSU Chancellor, and CCC Chancellor). Private postsecondary educational institutions can meet

the Title IV rules through regulation and oversight provided by the Bureau for Private Postsecondary Education, under a voluntary pathway established in the 2013-14 Budget Act.

Purpose of this bill. According to the author, following the passage of the federal program integrity regulations, three states across the country (California, Texas and Florida) found that their state agency providing oversight of K-12 entities offering career training for needy adults did not have the statutory authority to properly "state authorize" these providers. This bill seeks to establish a process, through the SPI, to allow numerous K-12 county offices of education, adult education programs, and regional occupational centers and programs, which have historically provided career training to needy students over the age of 18, to continue eligibility for students to receive federal financial aid under Title IV of the Higher Education Act.

Corrective amendments suggested. Committee staff recommends correcting the following findings and declarations to appropriately reflect federal law and its requirements:

(c) Historically, those adult students have had access to federal financial aid under Title IV of the federal ~~Elementary and Secondary~~ Higher Education Act of 1965, as amended, (U.S.C. Sec. 6301 et seq.).

(d) Recent revisions in federal regulations to improve integrity of the programs authorized under ~~governing~~ Title IV of the federal ~~Elementary and Secondary Education Act (20 U.S.C. Sec. 6301 et seq.)~~ Higher Education Act (34 CFR 600.9) have eliminated ~~the established new institutional~~ eligibility requirements for financial aid for adult students in many of California's career training programs operated by local educational agencies, even though adults in those programs have been historically eligible.

Urgency statute. As previously noted, the federal deadline for meeting state authorization requirements is July 1, 2015. In order to ensure these programs do not lose Title IV financial aid program eligibility, the author is proposing to add an urgency statute to this bill.

REGISTERED SUPPORT / OPPOSITION:

Support

Association of California School Administrators
 Baldy View Regional Occupational Program
 Butte County Regional Occupational Program
 California Federation of Teachers
 California Manufacturers and Technology Association
 Colton Redlands Yucaipa Regional Occupational Program
 Compton Unified School District
 East San Gabriel Valley Regional Occupational Program
 Los Angeles County Office of Education
 Metropolitan Education District
 North Orange County Regional Occupational Program
 Riverside County Superintendent of Schools
 San Joaquin County Office of Education

Southern California Regional Occupational Center

Opposition

None on File

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