

Date of Hearing: April 22, 2014

ASSEMBLY COMMITTEE ON HIGHER EDUCATION
Das Williams, Chair
ACR 119 (Muratsuchi) – As Introduced: March 6, 2014

SUBJECT: Community colleges: career technical education.

SUMMARY: Encourages the Chancellor of the California Community Colleges (CCC), in consultation with affected stakeholders, including, but not limited to, experts in the field of career technical education (CTE), business and industry representatives, and faculty, to develop at least three options to address the long-term funding needs of CTE and other workforce and training programs at CCC campuses, in a manner that adequately funds the programs that regions deem valuable to their economies; and, to submit those options to the Legislature before June 1, 2015. Specifically, this resolution:

- 1) Makes numerous declarations and findings, including the following:
 - a) The CCC is the nation's largest system of higher education with 112 colleges that serve more than 2.3 million students each academic year;
 - b) The CCCs play an important role in boosting our state's economy, and provide students with the education, training, and skills necessary to keep our state and nation globally competitive;
 - c) The CCCs offer a broad array of career oriented courses, certificates, and associate degrees through CTE or other workforce and training programs;
 - d) Recent high school graduates, under-employed and unemployed adults, incumbent workers searching for career advancement, veterans, and college graduates seeking retraining can all benefit from CTE and other workforce and training programs;
 - e) A college degree or industry-recognized certificate is the principal pathway to personal economic security;
 - f) After several years of budget cuts during the recession, CCC, CTE, and other workforce and training course offerings have been reduced;
 - g) California has seen cutbacks of more than \$500 million in programs that prepare individuals for employment;
 - h) CTE and other workforce programs are often expensive due to the need for smaller class sizes and specialized equipment and facilities;
 - i) Prioritizing existing CTE and other workforce and training resources in major regional industry sectors may help close the skills gap in our state's labor force;
 - j) CTE and workforce programs in the CCCs have lacked adequate long-term funding to meet the needs of today's growing economy; and,

- k) Any change to funding for CTE and other workforce and training programs at the CCC requires the enactment of legislation.
- 2) Encourages the CCC Chancellor, in consultation with affected stakeholders, including, but not limited to, a) experts in the field of CTE; b) business and industry representatives; and, c) faculty, to develop at least three options to address the long-term funding needs of CTE and other workforce and training programs at CCC campuses, in a manner that adequately funds the programs that regions deem valuable to their economies, and to submit those options to the Legislature before June 1, 2015.
- 3) Specifies that it is the intent of the Legislature during the 2015-16 Regular Session to address the long-term funding needs of CTE and other workforce and training programs at CCC campuses.

FISCAL EFFECT: Unknown

COMMENTS: Background. According to the March 2014 Centers of Excellence for Labor Market Research report entitled, "Focus 2015 – Occupational Employment & Career Technical Education in California", there are more than 18.6 million people in the state's labor force. As of February 2014, the unemployment rate for California dropped to 8%, a decrease of 1.4% since February of 2103. Over the 12 month span, the number of employed increased by 233,500 while the labor force overall decreased slightly by approximately 13,000 participants. The report finds that: 1) there are more than 1.3 million job openings projected for California through 2015, with CTE relevant occupations accounting for over 175,000 jobs; 2) the overall greatest demand for CTE relevant occupational groups will be for postsecondary non-degree awards – with more than 23,000 new jobs and close to 45,000 replacement jobs needing this level of preparation; and, 3) the projected demand for workers in CTE relevant occupations through 2015 cuts across a variety of community college sectors (which are programs and courses designed to train workers for a specific industry or occupation).

The Institute for Higher Education Leadership Policy (IHELP) released a report in August 2013 entitled, "Workforce Investments: State Strategies to Preserve Higher-Cost Career Education Programs in Community and Technical Colleges", which found that California's current funding structure creates a fiscal disincentive to support high-cost programs. IHELP studied the CTE funding practices of 20 states, which could potentially be adapted to California.

Need for the resolution. According to the author, "Despite the impact that CCC CTE and workforce development programs have on the state's workforce, California has seen cutbacks of more than \$500 million to programs that prepare individuals for employment in recent years." The author argues that with many CTE courses being more expensive on a per-student basis, there is a constraint on maintaining and increasing program offerings that meet the needs of regional economies. The author states, "Funding for these [CTE] programs are often allocated through a competitive grant process. As colleges chase specialized grant opportunities, the mission of CTE and workforce development gets shaped by these grants, and prevents the development of a coherent, system wide vision and strategy."

State budget shortfalls. Over the span of several years, the state has not been able to support CTE programs. According to California EDGE Coalition, the limited resources given to the

CCC by the state, has led to a 10-year decline in CTE's share of overall system enrollment. California EDGE Coalition argues that the lack of funding to the CCC by the state, "threatens to undermine the state's ability to meet the need for skilled workers in key and emerging regional industries." The decline in CTE course offerings translates to CCC students not being able to have access to the courses they need in order to earn a postsecondary non-degree award from the CCC and enter into a CTE relevant occupation.

Existing efforts and recommendations. The Economic and Workforce Development (EWD) program within the CCC Chancellor's Office (CCCCO) exists to bridge the gap between workforce needs and skills training provided by CCC. The EWD collaborates with employers, organized labor, local communities, community colleges and other educational entities. The Economic Development Program Advisory Committee and Workforce & Economic Performance Advisory Committee are advisory bodies to the EWD. According to the CCCCCO, these advisory committees are in the process of reviewing various options (based on a series of recent reports on CTE, including IHELP's) and making recommendations regarding CTE program funding.

REGISTERED SUPPORT / OPPOSITION:

Support

California Community College Association for Occupational Education
California EDGE Coalition
California Manufactures & Technology Association
Faculty Association of California Community Colleges
State Building and Construction Trades Council, AFL-CIO
Torrance Unified School District

Opposition

None on file.

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