Date of Hearing: April 29, 2025

ASSEMBLY COMMITTEE ON HIGHER EDUCATION Mike Fong, Chair AB 1247 (Garcia) – As Introduced February 21, 2025

SUBJECT: Classified employees: school districts and community college districts: contracting out: training requirements.

SUMMARY: Amends existing laws relating to contracts for personal services by school districts and California Community Colleges (CCC) districts by adding certain prescribed conditions. Specifically, **this bill**:

- 1) Adds, among other existing conditions or criteria relating to proposals eligible to contract out, that the contract guarantee contributions to any bona fide fringe benefit programs providing health care or retirement benefits to a direct hire that are equivalent to the amount that would be contributed if the contracted worker was a direct hire.
- 2) Amends existing law by providing that the contract include specific provisions pertaining to the qualifications of the contracted worker that will perform the work under the contract, and that contracted workers meet or exceed the minimum qualifications and standards required of direct hires who perform or have performed the same job functions, including, but not limited to:
 - a) Completion of a criminal history and background check before beginning employment;
 - b) Required level of academic attainment;
 - c) Required licensure;
 - d) Required years of experience;
 - e) Mandated reporter status;
 - f) Physical requirements;
 - g) Required scores on assessment exams;
 - h) Ongoing performance standards; and,
 - i) Completion of initial and ongoing training mandated by law, a collective bargaining agreement (CBA), or an employer policy.
- 3) Requires a district to compensate classified employees at their regular rate of pay for time necessary to complete training mandated by law, a CBA, or employer policy; to allow for classified employee questions and have them answered by a natural person in real time during training; and, training regarding child abuse reporting, suicide prevention, sexual harassment, or discrimination be conducted in person.

4) Makes technical and clarifying changes for these purposes.

EXISTING LAW:

- Establishes the mission and function of the CCC, which, in part is to: 1) offer academic and vocational instruction at the lower division level for both younger and older students, including those persons returning to school; 2) authorizes the CCC to grant the associate in arts and the associate in science degrees; 3) requires the CCC to offer English as a Second Language instruction, adult noncredit instruction, and support services which help students succeed at the postsecondary level; and, 4) advance California's economic growth and global competitiveness through education, training, and services that contribute to continuous work force improvement (Education Code (EC) Section 66010.4)
- 2) Establishes the CCC, a postsecondary education system in this state, under the administration of the Board of Governors; and, specifies that the CCC consist districts (EC Section 70900).
- 3) Authorizes personal services contracting for all services currently or customarily performed by classified employees to achieve cost savings, unless prohibited, and when certain prescribed conditions are satisfied. Cost savings may not cause employee "displacement," i.e., layoff, demotion, involuntary transfer to a new classification or location requiring a change in residence, and time base reductions, and "displacement" does not include changes in shifts or days, nor reassignment to other positions in the same classification and general location or employment with the contractor, provided that wages and benefits are comparable to those paid by the district (EC Section 88003.1).
- 4) Authorizes contracts for management consulting services relating to food services, but includes certain prescribed restrictions (EC Section 88004.5).
- 5) Requires the governing boards of CCC districts and except as provided, to employ persons not requiring certification qualifications or that are not academic positions, and to classify these employees and positions known as the "classified service" (EC Section 88000, et seq.).
- 6) Authorizes the legislative body of any public or municipal corporation or district to contract with and employ persons for furnishing special services and advice in financial, economic, accounting, engineering, legal, or administrative matters if such persons are similarly trained and experienced and competent to perform the special services required, among other provisions (Government Code Section 53060).

FISCAL EFFECT: Unknown

COMMENTS: *Double referral*. This measure was heard by the Assembly Committee on Public Employment and Retirement, on April 2, 2025, where it passed out with a 5-0 vote.

Need for the measure. According to the author, "despite not actually saving the state money, contracting out public sector jobs has become an increasing issue. Public schools have become no exception and classified workers are especially taking the hit. Instructional aides, afterschool program instructors, custodians and more are all being filled by third party contractors. These contracted out workers often make more money than employees that were directly hired, even though they often lack the same training qualifications and experience. AB 1247 protects our

classified school employees and students, by furthering wage parity, training quality and a more equitable hiring system for all."

The author contends that, "existing law requires school districts and community college districts to employ persons for positions not requiring certification qualifications and to classify, as defined, these persons. These employees are generally known as classified employees. Existing law also authorizes school districts and community college districts to contract for personal services currently or customarily performed by classified employees to achieve cost savings, unless otherwise prohibited, when certain conditions are met, including, among others, that the contract includes assurances that the contractor's hiring practices meet applicable nondiscrimination standards."

Lastly, the author contends that, "this authorization to contract out classified positions disincentives school districts and community colleges to directly hire employees – therefore creating a revolving door of temporary employees who are inadequately trained and qualified, with little investment in the school culture and environment."

Classified employees at CCC districts. According to a Research Brief, published by the California Federation of Teachers in October of 2023, "The [CCC] Chancellor's Office Data Mart database includes reports showing the number of employees by headcount (counts each employee as 1) and by full-time equivalent (combines the number of part-time positions into fulltime equivalent positions). In 2021, there were 27,774 classified staff in the state, and 25,796 FTE positions reported. These numbers include unrepresented management and supervisory staff. The reports group classified staff into three categories: Administrator (managers/supervisors), Professional, and Support. The majority of employees are Classified Support, but as shown in the tables below, some districts rely more heavily on administrators than others. For example, at Los Angeles Community College District and San Diego Community College District, just 3% of the classified employees are administrators, while at Coast and Pasadena CCDs, more than 10% are administrators. The breakdown in numbers and 3% are shown below."

	Classified Administrator	Classified Professional	Classified Support	Classified Total
Antelope Valley	27	2	247	276
Coast	81	7	680	768
Compton	12	50	104	166
El Camino	37	88	315	440
Long Beach	51	40	489	580
Los Angeles	57	234	1,804	2,095
Palomar	41	76	302	419
Pasadena	44	30	314	388
San Diego	37	13	1,011	1,061
San Luis Obispo	18	7	220	245
	Classified Administrator	Classified Professional	Classified Support	Classified Total
Antelope Valley	10%	1%	89%	100%
Coast	11%	1%	89%	100%
Compton	7%	30%	63%	100%
El Camino	8%	20%	72%	100%
Long Beach	9%	7%	84%	100%
Los Angeles	3%	11%	86%	100%
Palomar	10%	18%	72%	100%
Pasadena	11%	8%	81%	100%
San Diego	3%	1%	95%	100%
San Luis Obispo	7%	3%	90%	100%

Classified Staff Headcount | Fall 2021

[The Datamart Data dictionary defines **Classified Professional** positions as academic support, student service, and institutional support activities and requiring college graduation or comparable experience, such as non-faculty librarians, accountants, human resources specialists, lawyers, pharmacists, information technology staff requiring a Bachelor's degree. **Classified Support** includes clerical/secretarial positions, technical/paraprofessionals, skilled crafts, service/maintenance positions, as well as part-time student assistants in labs or classrooms. **Classified Administrators** include presidents, vice presidents, directors, and officers that report to these positions, as well as the supervisors of other staff who are not faculty.] *Arguments in support*. According to the sponsors of this measure, the California Federation of Teachers (CFT), "AB 1247 requires that health care and retirement contributions be made by the public entity as if an internal employee had been hired. This both alleviates somewhat the financial incentive to not hire direct employees while improving the solvency of key institutions such as CalPERS. Second, the bill requires that contracted out workers meet the same training, experience, and related job qualifications standards demanded of direct employees. Without this protection, we face an ever-growing percentage of our education workforce that may not be able to adequately protect students from harm. This provision will significantly improve student and worker safety while reducing liability risk for our education employers. Finally, this bill improves training quality for all classified workers. These trainings will be required to provide real time answers—by a real person—when questions are asked, and certain high-priority trainings must be conducted in person. These reforms will further improve safety throughout our education infrastructure."

Arguments in opposition. According to a coalition, comprised, in part, by the Community College League of California and the California Association of School Business Officials, "at a time when local educational agencies (LEAs) are already struggling with workforce shortages, this bill would create additional administrative and financial challenges that could disrupt essential school services. Many school districts and community college districts rely on contractors to support urgent or temporary staffing needs, yet AB 1247 significantly limits their ability to do so. The requirement that employers demonstrate a contracted worker meets or exceeds the minimum qualification for direct hires creates yet another barrier to quickly filling critical roles. With the current education workforce crisis, adding administrative hurdles only delays necessary students for LEAs and the students they serve. We are also deeply concerned with provisions that seem to require employers make contributions to the state's public pension system on behalf of contracted employees. This provision would not only increase Proposition 98 costs greatly but also likely runs counter to current state and federal laws, which could ultimately jeopardize CalPERS' ability to maintain its federal qualified plan tax status."

REGISTERED SUPPORT / OPPOSITION: Support

American Federation of State, County and Municipal Employees, AFL-CIO California Federation of Labor Unions, AFL-CIO California School Employees Association California State Council of Service Employees International Union (SEIU California) California Teachers Association CFT - a Union of Educators & Classified Professionals, AFT, AFL-CIO (Sponsor)

Opposition

Alameda County Office of Education Alameda Unified School District Association of California School Administrators California Association of School Business Officials (CASBO) California Association of Suburban School Districts California County Superintendents Community College League of California Orange County Department of Education Riverside County Superintendent of Schools School Employers Association of California

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