

Date of Hearing: April 8, 2021

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 1432 (Low) – As Introduced February 19, 2021

SUBJECT: The California Online Community College.

SUMMARY: Makes the California Online Community College Act inoperative at the end of the 2022-23 academic year. Specifically, **this bill:**

- 1) States that the Legislature finds and declares the following:
 - a) The Academic Senate for California Community Colleges finds that all three of the programs that the California Online Community College offers are already offered at the accredited California Community Colleges (CCC). Thus, the California Online Community College's programs are duplicative in context, in violation of existing law;
 - b) In 2020, both the Assembly and the Senate recommended defunding and closing the California Online Community College to Governor Gavin Newsom. Only the recommendation to defund and reallocate some of the California Online Community College's budget was implemented;
 - c) The California Online Community College received one-time funds of \$77 million and ongoing support of \$15,000,000 per year, yet it has only enrolled a handful of students, is not accredited, and has yet to hire any full-time faculty; and,
 - d) The CCC remains underfunded, yet it serves over 2 million students, thus making the need and priority for funding overwhelmingly greater for the CCC system than for the California Online Community College. The money allocated to the California Online Community College could be better used for similar classes and services at California's accredited community colleges.
- 2) Makes the California Online Community College inoperative at the end of the 2022–23 academic year, and, as of January 1, 2024, repeals it.

EXISTING LAW:

- 1) Establishes the CCC, a postsecondary education system consisting of community college districts (CCD) and CCC Board of Governors (BOG); and, establishes the mission and function of the CCC: to offer academic and vocational instruction at the lower division level; authorizes the CCC to grant the associate in arts and the associate in science degree; and, requires the CCC to offer remedial instruction, English as a Second Language instruction, and adult noncredit instruction, and support services which help students succeed at the postsecondary level (Education Code (EC) Section 66010.4 and Section 70900).
- 2) Requires the CCC BOG to provide leadership and direction in the continuing development of the CCC as an integral and effective element in the structure of public higher education in the state. The work of the CCC BOG shall at all times be directed to maintaining and continuing,

to the maximum degree permissible, local authority and control in the administration of the CCC (EC Section 70901).

- 3) Establishes the California Online Community College Act and the California Online Community College, under the administration of the CCC BOG, for purposes of creating an organized system of accessible, flexible, and high-quality online content, courses, and programs focused on providing industry-valued credentials compatible with the vocational and educational needs of Californians who are not currently accessing higher education. Requires that the college to offer at least three program pathways within the first three years of program implementation, developed exclusively to serve the population of students not yet accessing postsecondary education or without their first industry-valued credential. Requires that the college shall create new programs that are not duplicative of programs offered at other local community colleges. Requires the online college to fully develop a seven-year implementation plan and reach specified benchmarks at specified dates, including, but not limited to, showing proof of the online college's candidacy or preaccreditation status by April 1, 2022 and to be fully accredited by April 1, 2025 (EC Section 75000, et seq.).

FISCAL EFFECT: Unknown

COMMENTS: *Background on California Online Community College.* The 2018 Budget Act created a new online community college to be administered by the CCC BOG. The online college was intended to focus on short-term programs for working adults who have no postsecondary credentials. Trailer bill language required the college to develop at least three short-term program pathways linked with industry needs, and to use existing industry certifications, competency-based learning, and prior learning assessments to reduce the amount of additional courses students need to complete their pathway. The Budget Act provided \$20 million ongoing and \$100 million Proposition 98 General Fund to launch the college, which has been named Calbright College.

The 2020 Budget Act reduced support for the college by \$5 million ongoing and \$40 million one-time, leaving the college with \$15 million ongoing and \$60 million one-time. Calbright College submitted, via the Assembly Budget Subcommittee No. 2, the following updates regarding enrollment, faculty and staffing, and partnership plans.

- 1) *Enrollment/Completion.* Calbright has created three programs so far: Medical Coding, Information Technology (IT) Support, and Cybersecurity. The college has issued 35 credentials to 29 individual students. The college currently has 524 students enrolled. One individual has received job placement post completion of the program.
- 2) *Faculty/Staff.* Calbright reports 44 full-time employees, including five full-time faculty, five part-time faculty, three full-time faculty counselors and four part-time faculty counselors. Faculty employees have created an academic senate, and have affiliated with the California Teachers Association as their bargaining representative.
- 3) *Partnerships.* Calbright has sought partnerships with industry, labor, and other community colleges. For example, the college has an agreement with Compton College to help adult education students' transition into postsecondary programs, and recently signed a memorandum-of-understanding with four community college districts to create the Worker Learning Innovation Alliance.

Purpose of this measure. According to the author, “California’s existing community colleges have proven themselves more than capable of transitioning to fully online education (and expanding online program offerings) during the COVID-19 pandemic. Already, the California Community Colleges “California Virtual Campus” initiative offers 109 fully online “[Certificates of Achievement](#)” from accredited community colleges and 21 fully online [Associate Degrees for Transfer](#) across dozens of community colleges.”

The author contends that, “As the State Legislature grapples with difficult budgetary decisions, we cannot afford to spend more money on this wasteful experiment when existing community college districts have proven themselves more than capable of adapting their programs online and efficiently educating working adults. Rather than investing in all the infrastructure that starting up a new college requires, the state should use those dollars to incentivize districts to continue to serve this population of working adults and create additional CBE programs across the state. AB 1432 would eliminate Calbright College and allow its funding to be reinvested in proven and locally-accountable community colleges and their students.”

Duplication of courses offered at other CCCs? As referenced in the “Existing law” section of this analysis, existing law requires that the online college shall create new programs that are not duplicative of programs offered at other local community colleges. However, the three programs currently offered by Calbright College, Medical Coding, IT Support, and Cybersecurity are already offered by existing, accredited CCCs. For example, [Santa Barbara City College offers](#) a fully online “Medical Coding Specialist” certificate and [Cerro Coso College offers](#) certificates in Information Technology and [Cyber Security](#).

Committee Staff understands that before the COVID-19 pandemic, the CCC offered and expanded online program offerings, including, but not limited to the following:

- 1) The California Virtual Campus (<https://cvc.edu/>) – Online Education Initiative (CVC-OEI) is a collaborative effort among CCCs to ensure that more students are able to complete their educational goals by increasing both access to and success in high-quality online courses. Composed of high-quality online courses, resources for students, and technology, the CVC-OEI represents a comprehensive and collaborative program that leverages effective practices and technology to significantly increase the opportunity for higher education degree attainment in California.
- 2) San Diego Community College District Continuing Education’s (SDCCE) newly launching ICOM (Interactive Competency-based Online Microcredentialing) Academy (<http://sdce.edu/icom>). The ICOM Academy is California’s first, completely free, fully online, and fully comprehensive, community college built to serve nontraditional students. This program includes certificates and degrees, as well as badging and microcredentialing, which will be expanded in collaboration with industry partners.

The ICOM Academy has provided one semester of education, to date; data is still being gathered. However, Committee Staff understands that the total costs to launch the Academy were close to \$2 million (these costs were not explicitly for building competency-based course layouts). Additionally, by Fall 2021, the Academy will have 16 program offerings.

Audit of Calbright College. Three Members of the Legislature, Assembly Members José Medina and Sharon Quirk-Silva and Senator Scott Wiener requested the Joint Legislative Audit

Committee (JLAC) to audit Calbright. During the JLAC hearing of February 26, 2020, the JLAC Members voted to approve the audit request.

The audit by the California State Auditor (CSA) will provide independently developed and verified information related to Calbright College. The audit's scope will include, but not be limited to, the following activities:

- 1) Review and evaluate the laws, rules, and regulations significant to the audit objectives.
- 2) Identify the following information regarding Calbright College's students:
 - a) The total number enrolled and the number enrolled in each course offering and program.
 - b) To the extent possible, demographic information, including ethnic diversity, age, income, previous educational experience, and reason for enrolling in Calbright College as opposed to a local community college.
 - c) To the extent possible, whether the enrolled students are those that Calbright College was created to serve, including whether the students already had access to affordable educational opportunities.
 - d) To the extent possible, whether the students are achieving their educational goals and progressing in courses and programs.
- 3) Determine whether Calbright College has met key milestones including, but not limited to, the milestones specified in the California Online Community College Act (Act). Further, evaluate Calbright College's efforts to meet these key milestones and fulfill its mission, including its efforts to:
 - a) Become an accredited college.
 - b) Facilitate internships and job placements and to work in partnership with employers and industry groups.
 - c) Prepare for receiving and educating students, including efforts to recruit qualified faculty and staff.
- 4) Review and assess Calbright College's efforts to create and implement an inclusive outreach plan to recruit students throughout California. Determine whether Calbright College's outreach efforts are specifically targeted to those students that Calbright College was intended to train and educate, and whether those outreach efforts are likely to result in it meeting its enrollment goals.
- 5) Compare Calbright College's programs and courses to those of a selection of community colleges to determine whether Calbright's courses and programs are duplicative.
- 6) To the extent possible, determine whether Calbright College has complied with applicable laws and regulations, including those related to employment, procurement, and recruitment.

- 7) Assess Calbright's efficiency and effectiveness in how it uses its resources. To the extent possible, compare the efficiency and effectiveness of Calbright's use of resources with a selection of other community colleges or other worthwhile initiatives and programs, and identify any areas needing improvement.
- 8) Evaluate Calbright College's expenditures and internal controls for reasonableness and appropriateness including, but not limited to, those related to salaries, office and satellite campus space, electronic devices, online technologies, consulting contracts, and timekeeping.
- 9) Review and assess any other issues that are significant to the audit.

Per the CSA, the report of the Calbright College audit is expected to be released in May 2021.

The Legislature may wish to examine whether it is prudent to act on this measure prior to the CSA audit findings being released.

Committee comments. As presently drafted, this measure includes several Legislative findings and declarations, including, the following: “The California Online Community College received one-time funds of \$77 million and ongoing support of \$15,000,000 per year, yet it has only enrolled a handful of students, is not accredited, and has yet to hire any full-time faculty.”

According to Calbright College, full-time and part-time faculty have been hired. Committee Staff understands that some of the recently hired faculty are no longer working for Calbright College, but Calbright still employs some faculty members.

Moving forward, the author may wish to revise the Legislative findings and declarations in order to reflect the most recent data on Calbright College.

Arguments in support. According to the California Federation of Teachers, sponsors of this measure, “Despite the investment of over \$140 million in taxpayer dollars, Calbright remains unaccredited, has failed to reach enrollment goals and other benchmarks, while providing duplicative program offerings already available through California’s community college system. We can no longer afford to waste any more of the states limited resources on this failed experiment.”

Arguments in opposition. According to the CCC Chancellor, “By making Calbright inoperative, the Legislature takes away a critical tool not just from the California Community College system but from our students at a time when they need more educational options and more opportunities, not less. Let us not risk repeating the mistakes of past recessions and leaving these Californians without this flexible, accessible pathway into high-quality jobs that pay a living wage.”

REGISTERED SUPPORT / OPPOSITION:

Support

California Community College Independents
California Federation of Teachers (Sponsor)
Faculty Association of California Community Colleges (Co-Sponsor)

Opposition

Bay Area Council
Calbright College
California Community Colleges Chancellor's Office
California Competes
California Competes: Higher Education for A Strong Economy
Coast Colleges
Compton Community College District
Fresno Regional Workforce Development Board
Kern Community College District
NextGen California
North Bay Leadership Council
NOVAworks
UNITE-LA

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