Date of Hearing: April 26, 2022

ASSEMBLY COMMITTEE ON HIGHER EDUCATION
Jose Medina, Chair
AB 2820 (Medina) – As Introduced February 18, 2022

SUBJECT: The California Online Community College.

SUMMARY: Makes the California Online Community College Act inoperative on January 1, 2024; and, on or before January 1, 2024, appropriates the California Online Community College's funding for specified purposes at the California Community Colleges (CCC). Specifically, **this bill**:

1) Makes several legislative findings and declarations, including, but not limited to the following:

   a) In 2020 and 2021, both the Assembly and the Senate recommended defunding and closing the California Online Community College;

   b) By the end of the 2021–22 fiscal year, the California Online Community College has received a total of $75,000,000, with $60,000,000 in one-time funding and $15,000,000 in ongoing annual funding; and,

   c) Since its beginning and through 2021, the California Online Community College has enrolled 1,000 students but only 70 students have completed a certificate program.

2) Reappropriates, on or before January 1, 2024, the following sums from the California Online Community College for the following purposes:

   a) Five million dollars for increasing the number of single mothers and students with dependent children enrolling and attending community college by supporting the childcare of these students with dependent children;

   b) An unspecified dollar amount for basic needs centers of the CCC;

   c) An unspecified dollar amount for providing student housing for CCC students; and,

   d) All remaining funding, or an unspecified dollar amount for providing state financial aid to CCC students.

3) Makes the California Online Community College inoperative on January 1, 2024, and as of January 1, 2025, repeals the entire California Community College Act.

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 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 must 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.

In February 2021, 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 had 524 students enrolled. One individual had received job placement post completion of the program.

2) *Faculty/Staff*. Calbright reported 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 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.

Need for the measure. According to the author, existing CCDs have proven themselves able to quickly respond and adapt to the COVID-19 pandemic by providing almost all their courses online. The author contends that, "Throughout this pandemic the community college system has been able to build on the existing online infrastructure and expand virtual resources to help meet the varying needs of the over 1.8 million students attending 115 community colleges." The author further states, "Clearly, other state programs are reaching the demographic the California Online Community College has not succeeded in recruiting, enrolling or retaining."

The author states, "This session, I have met with the executive team at Calbright and am impressed by their recent work to expand partnerships with other universities and build on their existing programs. Moreover, I understand that more students in the past 6 months have completed their programs. Even so, I have remaining questions around the true financial cost needed to maintain the college and I am still concerned by the lack of data on job placement. I am looking forward to ongoing conversations with Calbright, but at this point we need more evidence that the college is really worth the cost when it takes away from other community colleges."

The author argues that, "As we face the budgetary realities of COVID-19, attempting to stretch every dollar to go further, we can no longer afford to waste any more of the state's limited resources on this failed experiment."

Recent audit of Calbright. As directed by the Joint Legislative Audit Committee in February 2020, the California State Auditor (CSA) conducted an audit of Calbright in order to assess its progress in establishing the college and its ability to achieve its mission of providing self-paced educational opportunities to California adults who face barriers to attending traditional colleges. The CSA released its audit report in May 2021, and determined that Calbright's potential value to the State is significant. However, the CSA included several critiques of the college, including:

1) Its former executive team's poor management contributed to ineffectively setting up the college.

2) There is no detailed strategy for spending the more than $175 million that it expects to receive in state funding.

3) It failed to follow sound hiring practices, resulting in a substantial lack of needed experience across key positions.

4) It delayed setting up a student support system.

5) Its methods for ensuring that students succeed are inadequate—most students have either dropped out or stopped progressing.

6) It has not developed a process for helping students obtain well-paying jobs.

7) Although Calbright has made recent improvements, it has yet to develop a clear and robust strategy to accomplish its mission.

The Auditor recommended that the Legislature eliminate Calbright as an independent community college district if it did not demonstrate substantive improvements by December 2022. For Calbright, the Auditor recommended the following:

1) Develop an implementation plan that outlines the specific steps necessary for it to accomplish its mission, and it should complete the planning process and begin following the plan by November 2021. The plan should include a specific timeline for performing each of the steps it identifies, as well as the estimated costs.

2) By November 2021, Calbright should develop and implement specific strategies for the following:

3) Developing educational programs that can benefit its target student population.

4) Enrolling its target student population.

5) Ensuring that its students receive the support they need to graduate.

As noted above, the State Auditor recommended that the Legislature eliminate Calbright if it does not demonstrate substantive improvements, as specified, by December 2022.

This measure makes Calbright inoperative on January 1, 2024. The Committee may wish to discuss if this measure is premature in making Calbright inoperative prior to Calbright being able to report its progress by the end of this year and the Legislature having time to assess Calbright's end of year report.

Calbright's most recent data. Calbright still has three programs currently accepting students: 1) information technology support; 2) cybersecurity; and, 3) customer relationship management. However, a fourth program, medical coding, is currently accepting applications.

Additionally, Calbright is also working in partnership with Service Employees International Union-United Healthcare Workers, West on a training program for Licensed Vocational Nurses.

Calbright currently has approximately 1,000 students enrolled, and in February 2022, Calbright reported that 80 students had completed a program. Labor market outcomes for the students who have completed a program is not available. Calbright also reported that 557 students have withdrawn from various programs since the college went live in late 2019.

Further, Calbright reports that most of its enrolled students are older; about one-third have a bachelor's degree. About 49% of Calbright students are ages 25-39, and another 42% are over 40. Notably, 33% of students already have a bachelor's degree, and another 10% already have an

associate's degree. About 37% of students are White; 32% are Latinx; about 24% are Black, 19% are Asian; and, 4% are American Indian or Alaskan Native. About 40% of students reported that they were unemployed.

The main mission of Calbright is to provide industry-valued credentials compatible with the vocational and educational needs of Californians who are not currently accessing higher education. As aforementioned, 33% of current Calbright students hold a bachelor's degree and 10% hold an associate's degree. The Committee may wish to explore if Calbright is adhering to the statutory guidelines of its mission and what, if anything, should be done to limit Calbright to its mission.

Lastly, Calbright reported in February 2022, that it has 62 full-time employees, including 9 full-time faculty, 19 non-faculty staff, 29 administrative staff and 5 confidential staff. Faculty employees have created an academic senate, and are affiliated with the California Teachers Association as their bargaining representative. Non-faculty staff are represented by the California School Employees Association. Calbright also reported in February 2022, that it has 25 contractors, with expenditures on contractors expected to total $924,000 in the current fiscal year.

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 (SDCCE) recently launched ICOM (Interactive Competency-based Online Microcredentialing) Academy. 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.

   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 had over a dozen program offerings.

Prior legislation. AB 1432 (Low) of 2021, which is awaiting a hearing in the Senate Committee on Education, is similar in nature to this measure.

REGISTERED SUPPORT / OPPOSITION:

Support

California Community College Independents
California Federation of Teachers AFL-CIO
Faculty Association of California Community Colleges
Los Rios College Federation of Teachers, AFT #2279
Ventura County Federation of College Teachers AFT Local 1828
West Valley Mission Federation of Teachers (WVMFT AFT 6554)

Opposition

Bay Area Council
Calbright Board of Trustees
Calbright College
California Community Colleges Chancellor's Office
California Competes
Community College League of California
Compton Community College District
Inland Empire Economic Partnership (IEEP)
Kern Community College District
NextGen California
North Bay Leadership Council
St Hope Public Schools

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