

Date of Hearing: April 11, 2023

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

AB 746 (Sanchez) – As Introduced February 13, 2023

SUBJECT: Learning-Aligned Employment Program: eligibility and priority

SUMMARY: Expands the eligibility for the Learning – Aligned Employment Program (LAEP) to all students who demonstrate a financial need and other specified requirements, establishes priority of participation to students who are from an underrepresented background as defined by the California Student Aid Commission (CSAC), and permits public postsecondary education institutions to employ students participating in the LAEP if the employment aligns with student’s major or provides students with the skills necessary for employment in their area of study. Specifically, **this bill:**

- 1) Removes restrictions for public postsecondary educational institutions to only employ students on campus in research positions and permits public postsecondary educational institutions the ability to employ students in any job that will either: 1) provide skill-building opportunities necessary for employment in the student’s area of study; or, 2) provide employment experience related to the student’s major.
- 2) Removes the requirement that in order to participate in LAEP, a student must be from an underrepresented background, and requires a public postsecondary education institution to prioritize available LAEP employment opportunities to eligible students from an underrepresented background as defined by the CSAC.

EXISTING LAW:

- 1) Creates the LAEP for the purpose of providing eligible college and university students with the opportunity to earn money to help defray their educational costs while also gaining educational-aligned, career-related experience. The LAEP will be administered by CSAC in consultation with the Office of the President of the University of California (UC), the Office of the Chancellor of the California State University (CSU), and the Office of the Chancellor of the California Community Colleges (CCC). The UC, CSU, and CCC, who are currently eligible to participate in state-funded student financial aid programs, are eligible to participate in the LAEP and are encouraged to participate. In order to participate, the UC, CSU, and CCC will sign an institutional agreement with the commission to adhere to the guidance development by CSAC and will only use the funding provided by the LAEP for the intended purposes of the LAEP (Education Code Section 69950, 60051 and 60052).
- 2) Requires students who participate in the LAEP to only be employed in the following ways:
 - a) By the research centers and institutions operated by either the UC, CSU, or CCC, if the LAEP employment opportunity provides students with direct opportunities to participate in research undertaken by the respective research centers and institutions;
 - b) By public schools operated by school districts, county superintendents of schools, the Department of the Youth Authority, or the California Department of Education; or,

- c) Nonsectarian, nonpolitical organizations or corporations, whether nonprofit or for-profit enterprises licensed to conduct business in the state that are capable of providing students with full-time employment after graduation or opportunities to connect with other employers capable of providing students with full-time employment opportunities within the student's chosen field of study after graduation (EDC Section 69954).
- 3) Enumerates the eligibility requirements for a student who wishes to participate in the LAEP, as:
- a) The student must be from an underrepresented background;
 - b) The student must be enrolled at least half-time at a UC, CSU, or CCC;
 - c) The student must be a resident as defined by Education Code Section 68000 et seq,
 - d) The student must demonstrate satisfactory academic progress leading to a degree or certificate as determined by the UC, CSU, or CCC they are attending for purposes of continual eligibility for federal financial aid. Exceptions to this requirement for homeless individuals, as defined, are provided; and,
 - e) The student must demonstrate financial need as determined by the financial aid office of the UC, CSU, or CCC they attend. Permits an institution to make adjustments to the student's financial aid package and offer student eligibility to the LAEP if the student or student's family is unable to contribute to the student's total financial resources.

Requires the UC, CSU, and the CCC to prioritize LAEP employment opportunities to first-generation college students, a current or former foster youth, a homeless or at risk of being homeless student, and to any student who is majoring in a science, technology, engineering, or mathematics discipline (EDC Section 69956).

- 4) Establishes additional requirements for job referral and placement of LAEP participating students in employment opportunities to include job placement in areas that provide an educationally beneficial position that relates to the student's area of study, career objectives, or the exploration of career objectives and that the program will include and emphasize placement opportunities for students that will result in their full-time employment or connections with employers that will offer full-time employment after graduation (EDC Section 69959).
- 5) Establishes requirements of the UC, CSU, and CCC, who participate in the LAEP. The requirements include but are not limited to areas related to: student employment positions, compensation of students, the requirement for the institutions to maintain all necessary records for the employed student, the ability for the institution to offer academic credit for the work performed in an LAEP position, the possibility of offering LAEP opportunities over the summer, and data compilation and provision of required data to CSAC (EDC Section 69960 – 69967).

FISCAL EFFECT: Unknown

COMMENTS: *Need for the measure.* As described by the author, "the Learning-Aligned Employment Program was created to provide students with hands-on, career-related experience.

My bill, AB 746, expands access to this crucial program, to ensure that more students can explore different career pathways and leave college with meaningful work experience.”

The Learning–Aligned Employment Program (LAEP). In February 2021, the California Governor’s Council for Post-Secondary Education (Council) published a report on how the State postsecondary education institutions could recover with equity from the COVID-19 pandemic. One of the key findings from the report was “connections between higher education and the workforce are insufficient to meet the economic and workforce needs of California.” Specifically, the report found that students do not see a clear connection between postsecondary programs and achieving their career goals. One of the recommendations by the Council to improve collaboration between industry and higher education was to “integrate work-based learning opportunities across the segments and throughout all disciplines to better prepare learners for their desired careers and to make educational programs more relevant to the students”. The genesis of the LAEP was this recommendation to fulfill the State’s obligation to foster integration between industry and higher education for purposes of producing a highly skilled workforce.

The LAEP was established, in the 2021-2022 Budget Act, with an investment of \$500 million over two years. The purpose of the LAEP was to promote learning-aligned, long-term career development for UC, CSU, and CCC students. The LAEP was California’s answer to the federal work-study, to ensure California students were given learning opportunities to expand their work resume, and to promote educational opportunities outside the brick-and-mortar lecture halls. As of March 2023, nine UCs, all 23 campuses of the CSU, and 115 CCCs participate in the LAEP program.

Education Code Sections 69950-69969 contain the language for the LAEP. The language includes parameters on the type of students who qualify for LAEP and the role of businesses and institutions in providing work placement positions for students to participate in work-study. LAEP is overseen by the CSAC and is designed for students who have a financial need and are identified as underrepresented students within Higher Education. The LAEP was not only to provide work opportunities for students, but to maximize the work-study placement of underrepresented students by limiting the program entirely to them. In the qualifying parameters adopted by CSAC, in order to participate a student must:

- Be from an underrepresented background. CSAC identifies the following students as qualifying under this description:
 - First-generation students, low-income students, current or former foster youth, homeless students or those at risk for becoming homeless, students with dependent children, formerly incarcerated students, undocumented students, students meeting the requirements of AB 540 (Firebaugh), Chapter 814, Statute of 2001, and students who are veterans;
- Demonstrate satisfactory academic progress;
- Demonstrate financial need and have room in their financial aid package for additional funding;

- Be enrolled at least half-time as determined by the institution;
- Be eligible to work in the United States; and,
- Be a resident of the State.

Of the \$500 million in state funds provided for the LAEP all the funds have been dispersed to the participating colleges and were allocated based on the share of the student population at each institution who received a federal Pell Grant. Participating institutions have until June 30, 2031, to use the funds. In an FAQ published by CSAC, the UC received 12% of the LAEP funds, or about \$61 million, the CSU received 32% of the funds, or roughly \$159.9 million, and the CCC received 56% of the funds, or roughly \$276.9 million.

The LAEP funds are to be used to provide up to 90% of students' compensation for positions of employment at public education institutions or nonprofit corporations, up to 100% of the students' compensation for positions at the UC, CSU, or CCC, and up to 50% of compensation for positions at for-profit employers. Employers who agree to participate in the LAEP program and provide a work-study position for students must:

- Place a student in an educationally beneficial position related to the student's area of study;
- Be able to either employ the student after graduation or connect the student with employment opportunities after graduation;
- Be able to pay the student a salary comparable to other positions with comparable duties; and,
- Ensure the placement of the student in the work-study position will not displace other workers.

Contained within the Education Code is a limitation for CCC, CSU, and UCs to only provide LAEP opportunities to students at research centers and institutions on campus. CSAC defines "research" as not limited to scientific research and can take place outside of an academic discipline; however, it is limited in that the student must be directly involved in the research that is undertaken by the research center or institution.

Data regarding the number of participating employers and the number of students who have participated is unknown. At the time of this analysis, the initial report on LAEP has not been published by CSAC. However, on February 28, 2023, EdSource published an article on LAEP and highlighted programs at Ohlone College. According to the article, "one of the early programs is the Junior Leadership Academy at Ohlone College. Cohorts of 20 students receive coaching in a 15-week career readiness class for credit, while working on a project for a local employer that involves research connected to their field. This includes business students working for a consulting firm and engineering students at an engineering firm." Furthermore, Committee Staff understands from CSAC during a legislative update, that 11 institutions have already launched programs; including Riverside City College which hired 10 students, City College of San Francisco which has placed a student at the UC San Francisco in the healthcare field, and CSU, Maritime who in the process of hiring their first assistant in Oceanography.

Changes to the LAEP program. One of the premises of the LAEP was to provide students with opportunities for work experience in their field of study and to avoid traditional work-study positions, such as clerical office work or working in the campus cafeteria. The Governor achieved this in two ways: 1) by requiring the job placement to be aligned with the student's field of study or future career and, 2) by limiting campus employment opportunities to research-based jobs. However, not all careers have research or data collection as a skill-set requirement; just as, not every job on campus available to students is misaligned with their field of study and future career goals. For example, California Community Colleges have supervised tutoring jobs available to students. If a student elected to be a supervised tutor, and was on a career path to being a teacher, would this job not align with the Governor's goals for LAEP? One of the unintended consequences of limiting jobs on campus to research positions is the small number of positions available to students. Therefore, the majority of students are required to leave campus for job placements. While this fulfills the Council's idea of fostering integration between the workforce and higher education, it also places an undue burden on students to find transportation to and from their place of employment. If a student is place-bound and unable to find public transportation, they may be utilizing the funds provided by the program intended for basic needs or financial aid on transportation that could have been avoided if the position was available on campus. AB 746 (Sanchez) seeks to eliminate this unintended consequence by enabling CCCs, CSUs, and UCs to employ students on campus in jobs related to their career fields.

One of the requirements for students to be eligible to participate in LAEP is for them to be underrepresented students as defined by CSAC. Not all students who attend a public higher education institution and have a financial need, identify as either: a first-generation student, low-income student, current or former foster youth, homeless student or those at risk for becoming homeless, a student with dependent children, a formerly incarcerated students, an undocumented students, a student meeting the requirements of AB 540 (Firebaugh), and a student who are veterans. If the goal of the LAEP is to provide students with hands-on career learning opportunities and to expand work-study beyond the campus, then the LAEP should have the same conditions as other financial aid programs in the State in that it is open to all with financial need and to instead prioritizes the placement in jobs to students who identify as underrepresented in higher education. Committee staff are aware that some campuses that have received LAEP funds are having difficulty expending them due to the inability to find students who qualify based on the limited definition of underrepresented students. AB 746 (Sanchez) seeks to open LAEP to all students who have a financial need but maintains the Governor's ideal of prioritizing the funds for underrepresented students in higher education.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

California Teacher Association

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