

Date of Hearing: June 21, 2016

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

SB 66 (Leyva) – As Amended January 14, 2016

**[Note: This bill is doubled referred to the Assembly Business and Professions Committee and will be heard as it relates to issues under its jurisdiction.]**

**SENATE VOTE:** 38-0

**SUBJECT:** Career technical education.

**SUMMARY:** Requires the Department of Consumer Affairs (DCA) to make licensure information available to the California Community Colleges (CCC) Chancellor's Office (CCCCO) to enable the colleges to measure and improve student outcomes of career technical education (CTE) programs offered; and, aligns performance accountability outcome measures for the Economic and Workforce Development Program (EWDP) to the federal Workforce Innovation and Opportunity Act (WIOA). Specifically, **this bill:**

- 1) States and declares that the Legislatures finds, among others, the following:
  - a) The pathway out of poverty for millions of California residents is the attainment of industry-valued, "middle skill credentials," which is defined as a job requiring a certificate, associate's degree, or third-party credential that is less advanced than a bachelor's degree, but more advanced than a high school diploma;
  - b) Middle skill credentials serve as the gateway for a large number of careers in the state's prioritized emergent industry sectors; and,
  - c) With the enactment of the federal WIOA (Public Law 113-128), California agencies receiving workforce-related funds have adopted the following, among others, common program strategies articulated by the California Workforce Investment Board:
    - i) Partnering in sector strategies to ensure training programs are relevant to the economy;
    - ii) Organizing regionally to benefit from economies of scale, recognizing gains when labor markets and industry are organized regionally;
    - iii) Creating cross-system data capacity to ensure effective use of resources; and,
    - iv) Integrating service delivery and braiding of resources to optimize limited resources and make use of program specialization to better serve individuals.
- 2) Requires the DCA to make available any licensure information it has in electronic format for its boards, bureaus, commissions, or programs to the CCCCCO to enable the CCC to:
  - a) Measure employment outcomes of students who participate in CCC CTE programs; and,
  - b) Recommend improvements in CCC CTE programs.

- 3) Authorizes DCA to make available the confidential information outlined in number two above, only to the extent that such disclosure is in compliance with state and federal privacy laws.
- 4) Requires, to the extent possible, the alignment of performance accountability outcome measures for the economic and workplace development program with the performance accountability measures of the federal WIOA.
- 5) Deletes existing statutorily prescribed performance measures.
- 6) Reduces data collection requirements.

**EXISTING LAW:**

*Federal.* Reauthorizes the nation's employment, training, adult education, and vocational rehabilitation programs created under the Workforce Investment Act of 1998 and remains the Act as WIOA; which, among others, requires states to strategically align workforce development programs, promote accountability and transparency, and foster regional collaboration (Title 29 United States Code, Chapter 32, Section 3101, et seq.).

*State.*

- 1) Establishes the EWDP as a primary CCC mission and specifies the program's mission and goals and an administrative structure for the program that includes:
  - a) The California Community Colleges Business Resource Assistance and Innovation Network Trust Fund;
  - b) Centers and Regional Collaboratives; and,
  - c) The Job Development Incentive Training Program.
- 2) EWDP is administered through the CCCCO, which is required under current law to implement accountability measures and annually report specified information to the Governor and the Legislature (Education Code (EC) Section 88500, et seq.).
- 3) Requires the CCC Board of Governors to assist economic and workforce regional development centers and consortia to improve linkages and CTE pathways between high schools and CCCs in a manner that improves the quality of career exploration (EC Section 88532).

**FISCAL EFFECT:** According to the Senate Appropriations Committee:

- 1) Data sharing: The DCA indicates that workload to provide the CCC Chancellor's Office licensure information is minor and absorbable. However, the department will incur one-time administrative costs of about \$100,000 to make the data system changes necessary to maintain confidentiality of the information (Special fund).
- 2) Outcome measures alignment: The CCC Chancellor's Office indicates that costs to align the outcome measures are minor and absorbable.

**COMMENTS:** *Background.* California Community Colleges lead the state and nation in providing postsecondary CTE and training. Serving more than 2.1 million students, the 113 community colleges provide workforce training, basic skills education, and transfer preparation. Students can enroll in associate degree and certificate programs in 350 fields of study. The colleges also offer apprenticeship programs, short-term training aligned to third-party credentials, and incumbent worker training to upgrade skill sets in various industry sectors.

According to the CCCCCO, employers currently struggle to find workers who possess the necessary skills to fill job openings, and this skills gap is projected to grow. By 2025, 30 percent of all job openings in California – or a total of 1.9 million jobs – will require some form of postsecondary education short of a four-year degree. California’s education pipeline is not keeping pace with the higher levels of skills and education required by employers and must significantly increase the number of individuals with industry-valued, middle-skill degrees, certificates and credentials.

*Task Force on Workforce, Job Creation, and a Strong Economy.* California’s community colleges have a strong CTE mission and, with added emphasis and prioritization, are well positioned to close this impending skills gap. The CCC Board of Governors launched the Task Force on Workforce, Job Creation and a Strong Economy to address the projected shortfall in middle-skill workers. The task force, comprised of both internal and external stakeholders, was convened to recommend a series of policies and practices to increase the production of industry-valued degrees and credentials.

The 25 recommendations in the task force's report, released in August 2015, build upon current college efforts and address barriers to enhancing the capacity of the CCC to prepare students for high-value jobs in regions throughout the state. The recommendations are the culmination of extensive input from more than 1,200 stakeholders during a nine-month period to identify actions that can be taken to provide policy guidance, regulatory review, and legislative and budgetary actions with the goal of increasing the number of students obtaining career technical education degrees and certificates – crucial for closing California’s skills gap. The importance of creating incentives, streamlining processes, and identifying and showcasing best practices was an overarching theme of the deliberations and the final recommendations.

This measure comes as a result of some of the policy recommendations outlined in the report and seeks to ensure the CCC CTE programs are reaching their intended outcomes and are aligned to the state's unique workforce needs.

*Need for this measure.* According to the author, "Currently, it is very difficult to acquire information on employment outcomes after students leave the education system. This is especially true when looking at third party licensure and certification because a lack of information makes it difficult to determine how well CTE programs prepared students for these various fields."

This measure seeks to rectify the situation by requiring, to the extent the disclosure is in compliance with state and federal privacy laws, the DCA to make any licensure information available to the CCCCCO for the purposes of matching students and evaluating the outcomes of CTE programs.

*WIOA and EWDP.* Signed into law on July 22, 2014, by President Obama, WIOA supersedes the Workforce Investment Act of 1998 and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act and the Rehabilitation Act of 1973.

The Act will help job seekers and workers access employment, education, training, and support services to succeed in the labor market and match employers with skilled workers they need to compete in the global economy. Among others, at the state level WIOA aligns establishes unified strategic planning across "core" programs, which include, Title I Adult, Dislocated Worker and Youth programs; Adult Education and Literacy programs; the Wagner-Peyser Employment Service; and Title I of the Rehabilitation Act programs. Additionally, WIOA aligns the performance for core programs, and adds new ones related to services to employers and postsecondary credential attainment.

To note, state performance goals must reflect economic conditions and participant characteristics; makes available data on training providers' performance outcomes; and, requires third party evaluations of programs.

The Act took effect generally, on July 1, 2015. However, the State Unified Plans and Common Performance Accountability provisions take effect on July 1, 2016.

The California Community College's EWD Program advances the economic growth and global competitiveness of California and its regional economies by providing education, training, and other services that contribute to continuous workforce improvement, technology deployment, and business development.

*Alignment.* Currently, workforce development program funds for community college CTE offerings come from the federal Carl Perkins Career and Technical Education Act, the EWDP, and the Career Technical Education Pathways Program. According to the CCCCO, state and national policy changes have made said programs similar in nature. However, each of these funding streams requires distinct metrics to be reported, creating duplicative administrative burdens for both the CCCCO's staff and local data collectors. With the enactment of the federal WIOA, another source of funding for workforce development programs, a single set of common measures has been adopted for programs serving both adults and youths under the Act.

This measure replaces existing accountability language under the EWDP with performance accountability outcome measures consistent to those that are required under WIOA.

*Technical amendment.* As presently drafted in Section 88650 (a) of the measure, an incorrect term is referenced. **Committee staff recommends, and the author has agreed to take, the following amendment:**

88650 (a) The chancellor shall implement performance accountability outcome measures for the economic and ~~workplace~~ *workforce* development program that provide the Governor, Legislature, and general public with information that quantifies employer and student outcomes for those participating in the program.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

American Federation of State, County and Municipal Employees, AFL-CIO  
Board of Governors of the California Community Colleges (sponsor)  
California Chamber of Commerce  
California Community College Association for Occupational Education  
California Conference Board of the Amalgamated Transit Union  
California Conference of Machinists  
California Hospital Association  
California School Boards Association  
California School Employees Association  
California Teamsters Public Affairs Council  
Community College League of California  
Engineers & Scientists of California  
International Longshore & Warehouse Union  
Los Angeles Area Chamber of Commerce  
Los Rios Community College District  
Professional & Technical Engineers  
Regional Economic Association Leaders Coalition  
San Bernardino Community College District  
San Diego Community College District  
San Gabriel Valley Economic Partnership  
Silicon Valley Leadership Group  
UNITE-HERE, AFL-CIO  
Utility Workers Union of America

**Opposition**

None on file.

**Analysis Prepared by:** Jeanice Warden / HIGHER ED. / (916) 319-3960