

Date of Hearing: June 28, 2016

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS

Rudy Salas, Chair

SB 66(Leyva) – As Amended June 23, 2016

SENATE VOTE: 38-0

NOTE: This bill was double-referred to the Assembly Committee on Higher Education and passed on a 13-0 vote.

SUBJECT: Career technical education

SUMMARY: Aligns performance accountability outcome measures for the Economic and Workforce Development (EWD) program with the outcome measures for the federal Workforce Innovation and Opportunity Act; authorizes the Department of Consumer Affairs (DCA) to make specified licensure information available to the California Community Colleges (CCC) Chancellor's Office for purposes of evaluating outcomes for students who participate in CCC career technical education (CTE) programs.

EXISTING STATE LAW:

- 1) Establishes the EWD program to be implemented and administered by the Chancellor's Office of the CCC in those fiscal years for which funds are appropriated for this purpose; be outcome-oriented and accountable by measuring results for program participants, including students, employers, and workers; provide technical assistance and infrastructure support that engenders alignment between the CTE programs of the community college system and the needs of California's competitive and emerging industry sectors and industry clusters. (Education Code (EDC) Sections 88600, *et seq.*)
- 2) Requires the Chancellor to implement performance accountability outcome measures to annually provide the Governor, Legislature, and public with information that quantifies employer and student outcomes for program participants. (EDC Section 88650)
- 3) Sunsets this program on January 1, 2018 unless legislation is enacted before that date deletes or extends that date. (EDC Section 88651)
- 4) Provides that a CTE staff within the State Department of Education is responsible for the design, implementation, and maintenance of a basic integrated statewide information system for CTE and technical training; requires the Board of Governors of the CCC to collect and maintain information related to CTE and technical training within the CCC for inclusion within the integrated statewide information system. (EDC Section 8006)
- 5) Establishes the Bureau of Private Postsecondary Education (BPPE) within the DCA to oversee and regulate private postsecondary educational institutions; provides that the BPPE operate until January 1, 2017. (Education Code (EDC) Section 94800, *et seq.*)
- 6) Requires the BPPE to adopt by regulation minimum operating standards for an institution to ensure that the program can achieve its objective; the facilities and instructional equipment

and material are sufficient to enable the program; the administrators and faculty are qualified; the institution maintain written and relevant standards for student admissions, as well as maintains a withdrawal policy and provides refunds; gives students a document signifying the degree or diploma awarded; maintains records and standard transcripts; and, is accredited by an accrediting agency or is in the process of accreditation. (EDC Section 94885)

- 7) Requires an institution to provide a prospective student, prior to enrollment, with a School Performance Fact Sheet containing, at a minimum, information as it relates to the educational program, including but not limited to, completion rates, placement rates, starting salaries, license exam passage rates, and that the fact sheet is filed with the BPPE. (BPC Section 94910(g)(1))
- 8) Establishes the DCA to regulate private businesses and professions engaged in activities which have potential impact upon public health, safety, and welfare in order to protect the people of California; the DCA oversees more than 40 boards, bureaus commissions and programs. (Business and Professions Code Section 100, *et seq.*)

EXISTING FEDERAL LAW:

- 1) Establishes the Workforce Innovation and Opportunity Act (WIOA) to reauthorize the nation's employment, training, adult education, and vocational rehabilitation programs created under the Workforce Investment Act of 1998. WIOA, among other things, 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.*)

THIS BILL:

- 1) Requires the DCA to make available any licensure information it has in electronic format for its boards, bureaus, commissions, or programs to the CCC Chancellor's Office to enable the CCC to:
 - a) Measure employment outcomes of students who participate in CCC CTE programs.
 - b) Recommend improvements in CCC CTE programs.
- 2) Authorizes DCA to make available the confidential information outlined in (1) only to the extent that such disclosure is in compliance with state and federal privacy laws.
- 3) Authorizes the DCA by agreement, condition or limit the availability of licensure information in order to ensure the security of the information and to protect the privacy rights of the individuals to whom the information pertains.
- 4) Specifies information sharing parameters for the DCA.
- 5) Authorizes the DCA or the Office of the Chancellor of the CCC to share licensure information with a third party who contracts to perform the function authorized in (1) above if the third party is required by contract to follow the requirements, as specified.

- 6) 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 Workforce Innovation and Opportunity Act;
- 7) Deletes existing statutorily prescribed performance measures; and, reduces data collection requirements.
- 8) Makes findings and declarations relative to career technical education in California.

FISCAL EFFECT: According to the Senate Committee on Appropriations (Committee), this bill will result in:

- 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:

Purpose. This bill aligns performance accountability outcome measures for the EWD program with the outcome measures for the federal Workforce Innovation and Opportunity Act and authorizes the DCA to make specified licensure information available to the CCC Chancellor's Office for purposes of evaluating outcomes for students who participate in CCC CTE programs.

This bill is sponsored by the Chancellor's Office of the Board of Governors of the California Community Colleges. According to the author, "[This bill] will improve the [CCC's CTE] programs by increasing cross-agency data collection and streamlining reporting requirements. These changes originate from recommendations made by the [CCC] Chancellor's Taskforce on Workforce, Job Creation, and the Economy. The data collected as a result of this bill will help ensure that the Community College system is giving students the skills that they need to be effectively prepared for successful careers."

Background. In December 2014, the Board of Governors of the CCC commissioned the Task Force on Workforce, Job Creation and a Strong Economy to consider strategies and recommend policies and practices to increase individual and regional economic competitiveness by providing California's workforce with relevant skills and quality credentials that match employer needs and fuel a strong economy. These recommendations were to prepare students for high-value jobs that currently exist in California, position California's regions to attract high-value jobs from other states and around the globe, create more jobs through workforce training that enables small business development, and finance these initiatives by aligning state and federal resources.

The Task Force was comprised of representatives from community college faculty, staff, administration, trustees and students, the employer community, labor, public agencies involved in workforce training and economic development, K-12 education policy and community based organizations. After almost a year of public meetings and stakeholder input, the Task Force issued 25 recommendations that were presented to the Board of Governors in September 2015

and adopted in November 2015. Implementation of these recommendations requires statutory, regulatory and administrative changes.

According to the Task Force's 2015 report, the CCC serves "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."

Middle Skills Jobs. Middle skills jobs are defined as those that require more education and training than a high school diploma but less than a four-year college degree. According to the National Skills Coalition (NSC), a national advocacy organization governed and advised by a coalition drawn from business, labor, community colleges, community-based organizations, and the public workforce system, while middle skills jobs make up the largest part of California's labor market, key industries are unable to find enough sufficiently trained workers to fill these jobs. NSC reports that in 2012, 50 percent of all jobs in California were middle skills but only 40 percent of the workforce was trained to the level necessary to fill those positions.

Streamlining/Aligning Outcome Metrics. Currently, workforce development program funds for community college CTE offerings come from the federal Carl Perkins Career and Technical Education Act, the Economic and Workforce Development Program, and the Career Technical Education Pathways Program. The Chancellor's Office reports that state and national policy shifts have made these programs more similar in scope. However, each of these funding streams requires distinct metrics to be reported, creating duplicative administrative burdens for both the Chancellor's Office 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.

The Legislature recently provided funding for the development of metrics to evaluate outcomes for Adult Education programs; these metrics are also expected to align with the federal WIOA where applicable.

Data Sharing and Privacy Protections. Information on licensure has not historically been a data element collected by the community colleges. The ability to reliably collect this data is impacted by the fact that these are industry licenses generally awarded by certifying bodies, and not the schools that provided the training. The CCC report that they have already gathered similar data on apprenticeship, Peace Officers Standards and Training certification, and Computer Technology Industry Association certification. It is the intent that this information be used for the Student Success Scorecard as one measure of a successful completion in CTE pathways and programs.

The CCC reports that they have already entered into several memorandums of understanding (MOUs) with various state agencies to facilitate data sharing. These include the Employment Development, the Department of Social Services, the Office of Statewide Health Planning and Development, the California Student Aid Commission and California's public four-year universities. While these agencies interpret federal and state law to allow such sharing of information, according to the CCC, the DCA believes that state and federal privacy laws restrict their ability to share licensing information. The provisions of this bill would provide the statutory clarity necessary to facilitate the sharing of licensure data for the purpose of evaluating programmatic outcomes.

Current Related Legislation. AB 1608 (Assembly Committee on Budget) of the current Legislative Session, establishes, among other things, the Strong Workforce Program, to provide funding to career technical education regional consortia made up of community college districts. The program would require consortia to collaborate with local educational agencies and other interested bodies that meet certain requirements for purposes of expanding the availability of quality community college career technical education and workforce development courses, programs, pathways, credentials, certificates, and degrees for community college students. According to the Governor, the *Task Force on Workforce, Job Creation, and a Strong Economy* identified an opportunity to align the myriad of career technical education programs at the community colleges and local education agencies with the state’s regional workforce needs and four-year undergraduate programs.

ARGUMENTS IN SUPPORT:

California Community Colleges Chancellor’s Office writes in support, “The state policy changes included in [this bill] would help to ensure that community college CTE programs are achieving their intended outcomes and aligned to California’s workforce needs. These changes would also eliminate duplicative and inconsistent reporting requirements so our colleges can achieve greater efficiencies without compromising transparency or continuous program improvement.”

California Chamber of Commerce writes in support, “[This bill] eases administrative burdens for the community colleges by streamlining their reporting and accountability metrics related to workforce and economic development, and will allow them to better track the success of students once they leave school and enter the workforce, to better inform the colleges’ future workforce development policies.”

California Community College Association for Occupational Education (CCCAOE) writes in support, “By aligning state accountability reporting requirements with the federal [WIOA] and requiring the California [DCA] to make licensure information available to the Chancellor’s Office, this bill will provided needed information to our programs, improving their efficiency and outcomes.”

California School Boards Association (CBSA) writes in support, “The provisions of this bill provide the statutory clarity necessary to facilitate the sharing of licensure data for the purpose of evaluating programmatic outcomes. In addition, the bill incorporates the broader conditions applicable to most of the MOU agreements governing the use, exchange, maintenance, and destruction of confidential data.”

California School Employees Association (CSEA) writes in support, “[This bill] seeks to rectify a number of issues that hinder CTE program efficiency, accountability, and access.... [This bill] implements recommendations from the Task Force and better prepares Community College students for the future economy.”

Community College League of California writes in support, “By increasing aid to financially needy students and streamlining data recoding or reporting, [this bill] will help CTE students achieve their educational goals and improve California’s economy.”

Inland Empire Economic Partnership (IEEP), Los Angeles Area Chamber of Commerce, Long Beach Community College District, and Southern California College Access Network similarly write in support, “[This bill] will improve the [CCC’s] [CTE] programs by

increasing cross-agency data collection and streamlining reporting requirements, as recommended by the Community Colleges Board of Governors Task Force on Workforce, Job Creation, and a Strong Economy.”

Los Rios, San Bernardino, and San Diego Community College Districts write in support, “This bill will allow for the sharing of licensure and certification data in order to measure the effectiveness of [CCC CTE] programs so they are compatible with federal reporting requirements.”

Regional Economic Association Leaders (R.E.A.L.) Coalition writes in support, “[This bill] will require the California [DCA] to make licensure information available to the Chancellor’s Office of the [CCC] for the purposes of matching students and evaluating the outcomes of CTE programs. Additionally, the bill will amend the Education Code to better align state accountability reporting requirements with the federal WIOA to remove reporting inefficiencies for programs receiving multiple sources of funding.”

Silicon Valley leadership Group writes in support, “[This bill] would allow the [DCA] to share licensing information with the [CCC’s] Chancellor’s Office for the specific purpose of evaluating programmatic outcomes for its [CTE] program graduates. Additionally, this bill would ease administrative burdens by streamlining reporting requirements”

Teamsters writes in support, “Until the passage of the current law, we had seen a long term decline in commitment to and funding of career technical education. Not every high school student is bound for college and it is important that we invest in everyone to help insure that they learn the skills necessary to get a good job.”

REGISTERED SUPPORT:

California Community Colleges Chancellor’s Office (sponsor)
Los Angeles Area Chamber of Commerce (sponsor)
California Chamber of Commerce
California Community College Association for Occupational Education (CCCAOE)
California School Boards Association (CBSA)
California School Employees Association (CSEA)
Community College League of California
Inland Empire Economic Partnership (IEEP)
Long Beach Community College District
Los Rios, San Bernardino, and San Diego Community College Districts
Regional Economic Association Leaders (R.E.A.L.) Coalition
Silicon Valley leadership Group
Southern California College Access Network
Teamsters

REGISTERED OPPOSITION:

None on file.

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