

*Senate Budget and Fiscal Review—Nancy Skinner, Chair*

# SUBCOMMITTEE NO. 1

# Agenda

**Senator John Laird, Chair**  
**Senator Dave Min**  
**Senator Rosilicie Ochoa Bogh**



**Wednesday, March 2, 2022**  
**9:00 a.m.**  
**State Capitol - Room 3191**

Consultant: Christopher Francis, Ph.D. and Yong Salas

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## Public Comment

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**6100 CALIFORNIA DEPARTMENT OF EDUCATION**  
**6870 CALIFORNIA COMMUNITY COLLEGES**

### **Issue 1A: Golden State Pathways (Department of Education)**

#### **Panel**

- Liz Mai, Department of Finance
- Michael Alferes, Legislative Analyst's Office
- Pete Callas, Director of the Career & College Transition Division, Department of Education

#### **Governor's Budget**

The Governor's Budget includes \$1.5 billion one-time Proposition 98 General Fund, available over five years, for the Golden State Pathways Program to support the development and implementation of college and career educational pathways in critically needed sectors of the economy (focused on technology, health care, education, and climate-related fields). This program proposes to do this through a combination of academic secondary and postsecondary courses, internships, apprenticeships, and certifications.

Funding for this program is available to school districts, charter schools, county offices of education, or regional occupational center or program operated by a joint powers authority. Eligible entities must commit to: (1) providing a program that includes all the courses to meet A-G requirements; (2) providing the opportunity to earn at least 12 postsecondary credits achieved through dual enrollment, Advanced Placement courses, or International Baccalaureate courses; (3) providing work-based learning experiences; and (4) integrating support services.

### **Issue 1B: Dual Enrollment (Department of Education)**

#### **Panel**

- Liz Mai, Department of Finance
- Michael Alferes, Legislative Analyst's Office
- Pete Callas, Director of the Career & College Transition Division, Department of Education

#### **Governor's Budget**

The proposed budget includes \$500 million one-time Proposition 98 General Fund, available over five years, to expand dual enrollment opportunities coupled with student advising and support services. The Department of Education would administer this program, in consultation with the

California Community Colleges Chancellor's Office, to grant funding to local educational agencies in order to provide students with access to obtain college credits while enrolled in high school.

Local educational agencies may apply for various grants for each school site that proposes to expand dual enrollment or accelerated college credit opportunities. Local educational agencies may apply for any or all of the following: (1) a one-time grant of up to \$500,000 to support a local educational agency's costs to couple student advising and success supports with available dual enrollment and accelerated college credit opportunities; (2) a one-time grant of up to \$250,000 to support the costs to plan for, and start-up, a middle and early college high school that is located on a school site; and/or (3) a one-time grant of up to \$100,000 to establish a College and Career Access Pathways dual enrollment partnership agreement and to enable students at the participating high school to access dual enrollment opportunities.

<b>Issue 1C: Pathway Grant Program for High-Skilled Careers (CA Community Colleges)</b>
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**Panel**

- Dan Hanower, Department of Finance
- Paul Steenhausen, Legislative Analyst's Office
- Lizette Navarette, CA Community College Chancellor's Office

**Background**

***2018 Budget Act Created Dual Enrollment Initiative Focused on College and Career Readiness.*** The Legislature provided CCC \$10 million one-time Proposition 98 General Fund for the initiative, known as the "California Science, Technology, Engineering, and Math (STEM) Pathways Grant Program." Under the initiative, community college grantees collaborate with high schools and industry partners to create a school spanning 9th through 14th grades (that is, through lower-division coursework at CCC).

Participating community colleges and schools first enter into a College and Career Access Pathways agreement. Students in the program then take a mix of high school and community college courses that lead both to a high school diploma and a "no cost" associate degree in a designated science, technology, engineering, and math (STEM) field (including manufacturing and information technology). Though the program is structured as a six-year model, students can progress at their own pace and complete their associate degree in a somewhat faster or slower time period. In addition, students participate in work-based experiences, such as internships and mentorships with local businesses. Upon graduation, students can choose to continue their education at a four-year college or obtain an entry-level job in the field they studied. Industry partners commit to giving program graduates first priority for relevant job openings. Statute requires the Chancellor's Office to prioritize grants to applicants serving students from groups that have historically faced barriers to completing high school or college. The Chancellor's Office also

is required to report to the Legislature and Department of Finance by January 2025 on the outcomes of students who participated in the program—including the number and percentage of students who obtained an associate degree, gained full-time employment in the area they studied, or enrolled in a four-year college.

### **Governor’s Budget**

***Provides \$20 Million One Time for Another Round of California STEM Pathways Grants.*** The Governor’s proposal is very similar to the initiative funded in the 2018-19 budget. One difference is that the 2022-23 proposal adds education (including early education) as an eligible field that students can study in the pathways program. In addition, the Governor’s proposal adds another reporting requirement (January 2029) for the Chancellor’s Office. As in 2018-19, the Governor’s budget allows the Chancellor’s Office to decide on the number and size of the grants using the proposed funds. Also, like the 2018-19 grants, grantees would have six years to spend their fund awards (aligned with the amount of time a 9th-through-14th grade cohort of students is to spend in the program).

### **Legislative Analyst’s Office Assessment**

***Little Information Available Regarding Current STEM Pathways Grant Program.*** The program is based on a decade-old model aimed at combining education and workforce development through dual enrollment and industry partnerships. Though the model has been implemented in other states and countries, it is relatively new to California. To better assess the merits of the Governor’s proposal, the Legislature thus would benefit from a basic status update on how the currently funded \$10 million initiative is working (recognizing that the report due in 2025 will have more complete outcomes data). For example, the LAO’s understanding is that the Chancellor’s Office awarded \$10 million in grants to a total of six community colleges in early 2019 and that programs generally began enrolling ninth grade students in fall 2019 or fall 2020. (The Chancellor’s Office originally offered seven grants but only six community colleges met minimum application requirements.) It is unclear, however, how many students began these programs, how many are still enrolled, and the progress they are making toward a high school diploma and acquiring college credits. In addition, since the program is designed to focus on supporting underserved youth, the Legislature would benefit from receiving data on the demographics of students in these programs. Without the above information, it is difficult for the Legislature to know whether the Governor’s proposal to fund another round of grants would be an effective approach to increasing college and career readiness.

### **Issue 1D: Comparing Golden State Pathways Grant Program, Dual Enrollment, and Pathway Grant Program for High-Skilled Careers**

Below is a side-by-side table comparing the Golden State Pathways Grant Program, Dual Enrollment, and the Pathway Grant Program for High-Skilled Careers.

	<b>Golden State Pathways Grant Program (CDE)</b>	<b>Dual Enrollment (CDE in consultation w/CCC)</b>	<b>Pathways Grant Program for High Skilled Careers (CCC)</b>
<b>Funding Amount</b>	\$1.5 billion	\$500 million	\$20 million
<b>Funding Availability</b>	Available through June 30, 2027	Available through June 30, 2027	Grants to be expended over a six-year period
<b>Eligible Entities</b>	Local educational agencies or regional occupational centers or programs operated by a joint powers authority.	Local educational agencies	Regional partnerships between: (1) A school district or charter school. (2) A community college district.
<b>Requires a program to meet A-G requirements?</b>	Yes	N/A	N/A
<b>Requires students to be able to earn postsecondary credits?</b>	Yes, at least 12 Units	Yes; students' would have opportunities to earn postsecondary credits	Yes; students' would earn an associate in science degree or an associate degree for transfer in a science, technology, engineering, or mathematics field.
<b>Requires students to have the opportunity to have work-based learning experiences?</b>	Yes	No	Yes
<b>Requires programs to provide support services?</b>	Yes	Yes	Yes
<b>Reporting Requirements</b>	Yes	Existing reporting requirements apply	Yes
<b>Grant Amounts</b>	Planning Grant and Implementation Grant amounts would be determined by Superintendent in consultation with the Executive Director of the State Board.	(1) Up to \$500,000 per school site for student support services. (2) \$250,000 per school site to plan for, and start-up, a middle or early college high school. (3) \$100,000 to establish College and Career Access Pathways partnership agreements and provide access to dual enrollment courses.	Grant amounts would be determined by the Chancellor's Office through a Request for Proposals process.
<b>Fund Structure</b>	(1) Up to 10 percent supports program planning and development grants (2) No less than 85 percent supports implementation grants. (3) Up to 5 percent supports technical assistance.	(1) 60 percent supports student support service grants (2) 27.5 percent supports middle or early college high school Grants (3) 12.5 percent supports College and Career Access Pathways partnership agreement development grants	All funds would support program grants.

	<b>Golden State Pathways Grant Program (CDE)</b>	<b>Dual Enrollment (CDE in consultation w/CCC)</b>	<b>Pathways Grant Program for High Skilled Careers (CCC)</b>
<b>Funding priority</b>	<p>Prioritizes local educational agencies displaying the following characteristics:</p> <p>(A) Fifty percent or more of the enrolled pupils at the local educational agency are unduplicated pupils.</p> <p>(B) Higher than state average dropout rate.</p> <p>(C) Higher than state average rate of suspension and expulsion.</p> <p>(D) Higher than state average rate of child homelessness, foster youth, or justice-involved youth.</p> <p>(E) Lower than state average rate of students completing all of the A–G coursework.</p> <p>Also prioritizes applications that support the following fields:</p> <p>(1) Education, including Early Education and Child Development</p> <p>(2) Computer Science</p> <p>(3) Healthcare</p> <p>(4) Science, Technology, Engineering, and Mathematics pathways that also focus on climate resilience.</p>	<p>Prioritizes local educational agencies displaying the following characteristics:</p> <p>(A) Fifty percent or more of the enrolled pupils at the local educational agency are unduplicated pupils.</p> <p>(B) Higher than state average dropout rate. (C) Higher than state average rate of suspension and expulsion.</p> <p>(D) Higher than state average rate of child homelessness, foster youth, or justice-involved youth.</p> <p>(E) Lower than state average rate of students completing all of the A–G coursework.</p>	<p>Prioritizes applicants that will serve students who:</p> <p>(1) Have been identified as academically or economically at risk for not successfully completing high school or not enrolling in, or succeeding in, college.</p> <p>(2) Belong to populations that have historically faced barriers to higher education, such as students with disabilities or English language learners.</p>

**Legislative Analyst’s Office**

The Legislative Analyst’s Office makes the following recommendations:

***Request the Administration Provide More Information on Golden State and Dual Enrollment Proposals.*** As the Legislature evaluates these proposals, we recommend it request more information from the administration prior to the May Revision, in order to fully assess their potential benefits and shortcomings. Specifically, we suggest requesting responses to the following questions:

- How does the administration expect LEAs to coordinate funding from Golden State Pathways and other CTE programs into a coherent approach for serving students?

- What considerations is the administration taking to decide how to set grant amounts for the Golden State Pathways program?
- What does the administration see as the key barriers to dual enrollment? Why does the administration believe additional funding is necessary given the fiscal incentives that already exist?
- Why is the administration proposing one-time funding for programs that will need ongoing support?
- How will the administration ensure that funding is being distributed in an equitable manner that targets the students that could benefit most from high-quality high school programs?

***Direct Chancellor’s Office to Report at Spring Hearings About Current STEM Pathways Program.*** By obtaining a status update on the six programs that received a grant in 2018-19, the Legislature would be in a better position to make an informed decision about the Governor’s proposal. In addition, given that only six grants were awarded in 2018-19, the Legislature should request the administration to explain how it determined the amount proposed for 2022-23 and share any indications it has that enough interest and demand exists from college, school, and industry partners to justify the requested amount. The Legislature could use information to help weigh the Governor’s proposal against other one-time legislative spending priorities for 2022-23.

***Consider Ways to Target Schools and Students With Highest Need.*** If the Legislature chooses to adopt the Golden State Pathways or dual enrollment proposals, it could modify the proposals to prioritize a smaller subset of districts. For example, it could designate a high-priority LEA as one where at least 75 percent of the student population is low income or an English learner. This would restrict priority to the top one-third of school districts. To increase the likelihood that grant funds ultimately benefit students with the greatest needs, the Legislature could consider requiring that grantees demonstrate they will be implementing these programs equitably across various school sites and in a way that is targeted to benefit student subgroups with lowest college and career outcomes.

### **Suggested Questions**

- DOF: How do the Golden State Pathways Grant program, the dual enrollment proposal, and the Pathways Grant Program for High-Skilled Careers all work together to provide students an effective pathway to college or careers?
- DOF: What does the administration see as the key barriers to dual enrollment? Why does the administration believe additional funding is necessary given the fiscal incentives that already exist?

On Pathways Grant Program for High-Skilled Careers,

- How was the proposed amount determined? How many students are expected to participate in this initiatives? How are you measuring or tracking these participants? What would be the specific uses of this funding?
- Has there been interest expressed by potential applicants? If so, how many and where?
- What support services would participating students receive?
- Please provide a status update on the six programs that received a grant in 2018-19. What outcome data, best practices, and participation information do we have on this investment? Is there any demographic information that you currently have?

**Staff Recommendation.** Hold these proposals open.

## 6100 CALIFORNIA DEPARTMENT OF EDUCATION

### Issue 2: Literacy Proposal

#### **Panel**

- Michelle Valdivia, Department of Finance
- Amy Li, Legislative Analyst's Office
- Cheryl Cotton, Deputy Superintendent for Instruction, Measurement & Administration Branch, Department of Education

#### **Governor's Budget**

The Governor's Budget includes \$475 million one-time Proposition 98 General Fund, available over three years, for schools serving transitional kindergarten through sixth grade who are 95 percent low-income or English learners. The funds would be used to employ and train literacy coaches and reading/literacy specialists to develop school literacy programs, mentor teachers, and develop and implement interventions for students who need literacy support. Funds would be provided to schools based on the number of students enrolled in transitional kindergarten through sixth grade, and grants would be at least \$300,000 per school site. Local educational agencies are required to provide a 50 cent match to every dollar received through the grant.

Additionally, \$25 million one-time Proposition 98 is available for a local educational agency to develop and provide training for literacy coaches and reading/literacy specialists.

#### **Legislative Analyst's Office**

The Legislative Analyst's Office makes the following recommendation:



***Reject Proposals Since Districts Can Fund These Activities Using LCFF.*** As previously mentioned, districts can already fund literacy coaches and multilingual books using LCFF funding, one-time federal relief funding, and various other funding sources. The administration’s approach of providing restricted funding for certain early literacy activities is not consistent with the original legislative intent that LEAs locally determine and fund priorities under LCFF. For these reasons, we recommend the Legislature reject the Governor’s proposals to fund additional literacy coaches and multilingual books, thereby freeing up \$700 million in one-time Proposition 98 funding to support other legislative priorities. Should the Legislature be interested in funding the literacy proposals, we suggest several modifications. For the literacy coach proposal, the Legislature could consider extending the time line of the grant funding from three to five years to allow districts to address likely staffing shortages and increase the time frame for coaching interventions. To encourage additional coaching, the Legislature could adopt trailer legislation clarifying that funds are intended to supplement rather than supplant existing spending on literacy coaches. We also suggest targeting funding to schools identified as low performing for student achievement as identified under the state’s accountability system. To address the issue of very small schools receiving a significant amount of funding from either proposal, we suggest limiting funding to schools enrolling at least 11 students in the targeted early grades, as is consistent with how the state implemented the early literacy block grants in 2020-21.

### **Suggested Questions**

- DOF: How would the new training that prospective literacy coaches and reading specialists undergo align with the authorization or credential requirements related to literacy and reading offered by the Commission on Teacher Credentialing?
- DOF: Would this program be able to train enough staff to provide specialists and coaches at the eligible schools, and would the eligible local educational agencies be able to meet the match requirement?

**Staff Recommendation.** Hold this item open.

## **Issue 3: California College Guidance Initiative (CCGI)**

### **Panel**

- Alex Shoap, Department of Finance
- Amy Li, Legislative Analyst’s Office
- Tessa Carmen De Roy, President, California College Guidance Initiative

### **Background**

***CCGI Is a College Planning and Advising Tool.*** CCGI offers access to college planning, financial aid, and career exploration tools to students from grades six to 12 through its online platform

CaliforniaColleges.edu. CCGI also partners with school districts to streamline the college application process through verified electronic transcripts. Partner districts can upload verified academic transcript data onto the platform and into students' accounts. When students from these partner districts apply to a California Community College (CCC) or California State University (CSU), certain high school data is shared. The college or university, in turn, can use the data to inform decisions about admissions and course placement. As of 2021-22, 95 school districts participate in CCGI.

***CCGI Is Funded Through Mix of Proposition 98, Fee Revenue, and Philanthropy.*** In 2018-19, the state provided CCGI \$3.5 million ongoing Proposition 98 for operational costs. The state currently funds CCGI as part of the California Department of Education's budget, with Riverside County Office of Education (COE) and the nonprofit Foundation for California Community Colleges acting as intermediaries. CCGI generates some additional funding by collecting fees from participating districts and charter schools—\$2 per middle school student and \$2.75 per high school student. Fee revenue for 2021-22 was slightly less than \$700,000. CCGI also receives funding from private philanthropy and institutional partners. For example, CCC and CSU cover participation fees for 77 districts in the Central Valley and Inland Empire.

***Recent Work Group Recommended Statewide Expansion of CCGI Under Integrated "Cradle to Career" Data System.*** As part of the 2019-20 budget package, SB 75 (Committee on Budget and Fiscal Review), Chapter 51, Statutes of 2019 provided \$10 million one-time non-Proposition 98 General Fund to begin initial planning and development of a statewide integrated education data system. This initial work included convening a cross-agency work group to recommend a data system consistent with legislative intent. Specifically, the budget package included intent language that the data system "create direct support tools for teachers, parents, advisors, and students" and have the ability to "transfer high school pupil educational records to postsecondary educational institutions." The final work group report released in June 2021 included a recommendation to expand CCGI to school districts throughout the state to fulfill certain components of legislative intent.

Regarding governance, trailer legislation created a 21-member governing board comprised of a mix of chief executives from those state agencies tasked with contributing data to the data system, along with members of the public and legislative members.

Regarding system management, the Budget Act included \$15 million non-Proposition 98 General Fund (\$11.5 million ongoing, \$3.5 million one-time) to the Government Operations Agency (GovOps). A portion of the funds supports 12 staff (including an executive director) in 2021-22 at a newly created Cradle-to-Career office within GovOps. (The budget increases authorized staff to 16 in 2022-23 and provides an additional \$500,000 ongoing funding for GovOps at that time, bringing its funding to \$12 million annually beginning in 2022-23.) The one-time funds provided in 2021-22 will be used to cover various operating and technology acquisition costs related to the integrated data system, including funds to upgrade CDE's K-12 database.

***2021-22 Budget Provided \$3.8 Million Ongoing Augmentation for CCGI Expansion.*** The 2021 Budget Act budget increased CCGI funding to begin scaling statewide (bringing total ongoing

Proposition 98 funding to \$7.3 million). The 2021-22 budget package authorized CCGI to provide its services to all California school districts. The budget also included intent language that, upon full implementation, CCGI would be expected to provide several services—including free college planning, financial aid lessons, and career planning curricula—for students in grades six through 12. Trailer legislation also requires CCGI to report additional information by April 1, 2022 (and every year thereafter), such as budget change proposals; details for participating districts and charter schools; and, in the first report, a needs assessment examining platform usage and relevance of existing features to users.

### **Governor’s Budget**

***Provides \$9.3 Million Ongoing Augmentation for CCGI Expansion.*** Of this funding, \$4.5 million is proposed to cover the cost of operating the platform for existing districts, including covering the costs of fees previously paid by participating districts. The remaining \$4.8 million would cover costs associated with new districts participating on the platform, including technology operations, maintenance, and development, as well as CCGI personnel. The proposed augmentation would bring total ongoing Proposition 98 funding for CCGI to \$16.8 million.

***Includes \$4.4 Million One-Time Proposition 98 Funding to Establish Regional Support for Participating Schools.*** The Governor also proposes one-time funding to establish a regional network of 11 COEs to increase utilization of the CCGI platform and provide technical assistance to participating schools. Funding would be available over three years.

### **Legislative Analyst’s Office Assessment and Recommendations**

***Proposed Augmentation Is Aligned With Legislative Intent.*** As previously discussed, trailer legislation as part of the 2021-22 budget package authorized CCGI to provide its services to all California school districts and established expectations for the services CCGI would provide once fully implemented. The proposed augmentation is consistent with legislative intent to scale CCGI statewide.

***Full Costs for Scaling CCGI Remain Unclear.*** With the proposed augmentation, CCGI plans to expand the platform to an additional 136 districts in 2022-23. As a result, roughly 230 out of 424 unified and high school districts (54 percent overall) would be participating in CCGI statewide. CCGI plans to fully scale by 2025-26. The proposed augmentation brings total ongoing CCGI funding to \$16.6 million, with 294 districts that still need to be added to the platform. CCGI initially estimated the cost of fully scaling operations between \$18 million and \$20 million, but given the large number of districts that have yet to be added to the platform, the LAO states that uncertainty remains about the long-term costs for fully scaling CCGI.

***CCGI Could Benefit From Long-Term Implementation Plan.*** Although CCGI assumes more districts will want to participate as the platform becomes more helpful to students during the college application and financial aid process, there is no clear plan to expand to the remaining districts. A long-term implementation plan could be particularly beneficial given the challenges of

scaling statewide. For instance, there is no state mandate requiring schools to use the CCGI platform or incentive funding to encourage more districts to participate. A long-term implementation plan could clarify how CCGI would target outreach and resources to engage new districts and address any barriers to participation. For example, CCGI could use a regional approach based on local college attendance rates or focus on the state's largest school districts first. The plan could also identify ways to encourage more district participation in CCGI, including amending existing state law.

***Technical Assistance Seems Reasonable, but Regional Approach Might Have Limited Impact.*** In the LAO's conversations with CCGI, they indicated the regional approach is intended to take advantage of COEs' knowledge of their local context, as well as the strong reputation of some COEs in their region. However, there is no guarantee that a district will be inclined to follow advice on best practices from a regional COE, given that under the proposal, the selected COEs will be working with a large number of districts located in a separate county and with which they may not have an existing relationship. In addition, the proposal includes little detail about the types of activities regional COEs would be expected to perform to increase utilization of the platform. Other approaches might better increase CCGI utilization, such as having CCGI or CDE highlight exemplar districts or working within the state's existing system of support to promote CCGI and share best practices statewide, especially as they relate to college and career readiness.

**LAO Recommendation:** *Evaluate Proposal Based on Additional Details CCGI Will Provide in Spring.* Since more details will be available in April, the LAO recommends that the Legislature review the additional documentation CCGI will provide and ensure key questions are addressed. The Legislature could also consider moving CCGI's existing reporting deadlines in statute from April to the fall, consistent with the Administration's budget development cycle. Some key questions for the Legislature to consider include:

- What is CCGI's long-term plan for fully scaling the platform? What challenges does CCGI anticipate in reaching full implementation? How does CCGI plan to address these challenges?
- What are the ongoing costs associated with fully scaling CCGI? How do other revenue sources, such as private philanthropic funding, factor into these ongoing cost estimates? Are the underlying assumptions to this cost estimate reasonable?
- Does CCGI have a comprehensive plan for addressing issues identified in their needs assessment? What degree of user feedback does CCGI plan to regularly incorporate into their platform updates?
- Can CCGI provide more information on why districts might not want to participate in CCGI and other related barriers to participation? How does CCGI plan to address these barriers?

**Staff Recommendation.** Hold open.

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**6360 COMMISSION ON TEACHER CREDENTIALING****Issue 4: Educator Workforce Proposals****Panel**

- Megan Sabbah, Department of Finance
- Amy Li, Legislative Analyst's Office
- Mary Sandy, Executive Director, Commission on Teacher Credentialing

**Background**

The Commission on Teacher Credentialing released the report, *Teacher Supply in California 2019-20*, in April 2021. It found that after a steady decline in the total number of initial teaching credentials for the past several years, 2019-20 was the sixth year in which there was a small increase over the year prior. The number of initial teaching credentials issued in 2019-20 was higher than the number of initial credentials issued almost ten years ago. The report also found that there was a small decrease in the number of teaching permits and intern credentials issued and based on these data it was estimated that there was an increase of 0.1 percent in the number of fully credentialed teachers serving California public schools.

**Governor's Budget**

The proposed budget includes a total of \$54.4 million in a mix of Proposition 98 General Fund and General Fund to hire qualified teachers and substitutes. These include:

**Fee waivers**

- \$24 million one-time General Fund to waive certain teacher examination fees. This would cover approximately 163,000 paid registrations.
- \$12 million one-time General Fund to extend the waiver of select credentials fees. This would cover approximately 120,000 credential applications.

**Integrated Teacher Preparation Programs**

- \$10 million one-time General Fund to support a competitive grant program that provides grants to public and private institutions to develop and implement integrated teacher preparation programs. The Integrated Undergraduate Teacher Preparation Program was a competitive grant program for baccalaureate-granting institutions to develop four-year program where participants would earn both a bachelor's degree and a multiple or single subject teaching credential in four years. There are currently 87 integrated programs at 13 private universities, 18 California State University campuses, 2 University of California campuses, and 56 Community College partners.

**Personnel Management Assistance Teams**

- \$5.2 million Proposition 98 General Fund and \$322,000 General Fund to re-establish the Personnel Management Assistance Teams to assist local educational agencies in improving hiring and recruitment practices. There will be seven Personnel Management Assistance Teams in each of the seven Geographic Lead Agency regions that are part of California's Statewide System of Support. The Personnel Management Assistance Teams will focus on personnel administration, including recruitment, credentialing, hiring, retention, organization, and staffing as they relate broadly to educator staffing shortages.

**State Operations**

- \$1.4 million General Fund to establish career counselors for prospective educators at the Commission on Teacher Credentialing (CTC).
- \$924,000 General Fund, of which \$161,000 is one-time, to support the CTC's administration of multiple grant programs and fee waivers.
- \$900,000 ongoing General Fund for the CTC to contract for public outreach to highlight the value and benefits of educational careers in California's prekindergarten through grade 12 schools. The outreach will be focused statewide, but will also be informed by the Personnel Management Assistance Teams and their recruitment efforts.
- Extending statute authorizing any holder of a credential or permit issued by the CTC to serve in a substitute teaching assignment aligned with their authorization, including for staff vacancies, for up to 60 cumulative days for any one assignment.

**Legislative Analyst's Office**

The Legislative Analyst's Office makes the following recommendations:

***Modify Proposal for New Teacher Recruitment Activities.*** To more quickly implement teacher recruitment activities, we recommend the Legislature provide funding to one of the existing entities that already do similar work. CDE and the Center are already positioned to build off existing infrastructure and expertise to respond more quickly to growing demand for more teachers. The Legislature will want to consider the various trade-offs associated with funding either entity. For example, the Center has regional partnerships and experience running a statewide promotional campaign, but the CDE platform has more accessible information tailored based on an individual's background (such as high school students and out-of-state teachers). The Legislature's options for how to fund these activities would somewhat depend on which entity it tasked with conducting these activities. Providing state operations funding at CDE would require ongoing non-Proposition 98 General Fund (limited-term positions would be difficult to fill), but the state also could provide Proposition 98 funding if CDE were to use a COE as a contractor

(consistent with its current activities). Providing funding to the Center would require Proposition 98 funding. Regardless of the selected entity, the Legislature could consider requiring broader coordination across CTC, CDE, higher education, K-12 schools, and any designated entity to reduce further duplication of teacher recruitment efforts.

***Reject Proposals for Fee Waivers and PMATs.*** We recommend the Legislature reject the Governor’s fee waiver and PMAT proposals—freeing up \$36 million non-Proposition 98 General Fund and \$5 million Proposition 98 funding for other legislative priorities. Providing credential and assessment fee waivers would not address the underlying need for more new teachers to enter the workforce. For the PMATs proposal, districts already have access to personnel management assistance from FCMAT upon request. If the Legislature is interested in providing more statewide personnel management assistance, it could consider providing one-time funding for FCMAT to train COEs on effective personnel management practices and incorporate this expertise when COEs provide broad-ranging support and targeted assistance to school districts.

***Approve Funding for Integrated Programs.*** We recommend the Legislature approve additional funding for the integrated programs. These programs offer a cost-efficient and quicker option for interested undergraduate students to receive training and become teachers after graduating. The funding previously provided to establish more integrated programs also shows some promising results.

### **Suggested Questions**

- CTC: Since the April 2021 was released with data from 2019-20, how has the pandemic impacted teacher supply?
- DOF: Can you please explain how the Personnel Management Assistance Teams would work with the Fiscal Crisis and Management Assistance Team?
- DOF: How would Personnel Management Assistance Teams evaluate personnel and staffing issues in light of local bargaining agreements?
- DOF/CTC: Can you please share how the ongoing outreach efforts and the career counselors could be used to recruit more teachers of color?

**Staff Recommendation.** Hold this item open.

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**6870 CALIFORNIA COMMUNITY COLLEGES****Issue 5: CCC Workforce Development Proposals****Panel**

- Jennifer Kaku, Department of Finance
- Dan Hanower, Department of Finance
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**Background**

***Healthcare Vocational Education.*** Adult education focuses on providing pre-collegiate-level instruction and short-term training in various program areas. These areas include certain health care occupations—such as certified nursing assistants and home health aides—as well as English as a second language. Through the state's Adult Education Program (AEP), more than 350 adult education providers—primarily school districts (through their adult schools) and community colleges—are organized into 71 regional consortia. The consortia have developed plans to coordinate and deliver adult education in their regions. In 2021-22, the state is providing \$566 million ongoing Proposition 98 General Fund for AEP. Statute provides this level of funding regardless of the number of students served or the type of instruction provided. In addition, the state is providing in 2021-22 about \$300 million Proposition 98 General Fund directly to community colleges for noncredit (adult education) instruction. Community college noncredit instruction also includes health care training programs and English as a second language classes.

***CCC Teacher Credentialing Partnership Program.*** SB 577 (Dodd), Chapter 603, Statutes of 2018 established the California Community College (CCC) Teacher Credentialing Partnership Pilot Program, awarding grants to collaboratives of one or more teacher-credentialing higher education institutions partnering with one or more community colleges for the purpose of offering teacher credentialing programs at community colleges.

A key purpose of the California Community College (CCC) Teacher Credentialing Partnership Pilot Program Grants is to provide funding to three community colleges in areas of the state with low rates of K-12 credentialed public school teachers to form a collaborative with one or more institutions of higher education with a Commission-approved teacher preparation program and a physical presence in California, and one or more Local Education Agencies that have difficulty recruiting qualified teachers. The collaborative creates distance-learning opportunities at the local community college whereby an individual seeking a teaching credential, who possesses a baccalaureate degree, who is currently teaching on a short-term staff permit or a provisional internship permit, and who lives in an area with low college-going rates or limited access to Commission-approved teacher preparation programs, may access Commission-approved teacher preparation coursework at the community college location to earn a preliminary teaching credential.



The Budget Act of 2019 included \$1.5 million one-time Proposition 98 General Fund to implement the program. This funding was divided into grant awards of \$500,000 available to three California Community Colleges for onetime startup costs.

The pilot phase was expected to span three years 2020 through 2022. During these years, it was expected that grant recipients would use the one-time startup funds to: develop an initial partnership or deepen a current partnership; prepare infrastructure, policies, procedures, and professional development for implementation of a distance-learning program; and implement the program no later than fall of 2022. According to the CTC, an RFP was issued in March 2020 and the three recipients were Feather River College, Monterey Peninsula Community College, and Yuba Community College.

### **Governor’s Budget Proposals**

**Healthcare Vocational Education.** The Governor’s budget proposes an increase of \$130 million one-time Proposition 98 General Fund. Of this amount, \$30 million is for 2022-23, \$50 million is for 2023-24, and \$50 million is for 2024-25, to support healthcare-focused vocational pathways for English language learners across all levels of English proficiency, through the Adult Education Program. Budget bill language states that the California Community Colleges Chancellor’s Office, the California Department of Education, the California Labor and Workforce Development Agency, and the California Health and Human Services Agency shall collaborate to develop guidance to assist the Adult Education consortia in developing pathways focused on local programs intended to support healthcare and care economy workforce needs.

**CCC Teacher Credentialing Partnership Program.** The Governor’s budget proposes an increase of \$5 million one-time Proposition 98 General Fund and trailer bill language to support the CCC Teacher Credentialing Partnership Program. The trailer bill would make the program permanent and rename it the California Community College Teacher Credentialing Partnership Program and, for the 2022–23 fiscal year, would authorize the Commission on Teacher Credentialing, in coordination with the chancellor of the CCC, to award up to 10 additional grants, not to exceed \$500,000 each, to collaboratives for the same purpose of offering teacher credential coursework remotely at a participating community college or colleges. The bill would require, on or before April 1, 2027, the Legislative Analyst’s Office to submit a report to the Legislature and the Department of Finance on the implementation of the program for those programs funded in the 2022–23 fiscal year.

### **Legislative Analyst’s Office Assessment and Recommendations for Healthcare Vocational Education**

***Proposed Adult Education Funding Is Not Justified Given Existing Excess Capacity.*** In 2020-21, AEP providers enrolled about one-third fewer students in their programs compared with 2018-19—a loss of about 50,000 full-time equivalent students. This significant decline was due to the effects of the pandemic. Based on preliminary information, adult education enrollment is

recovering slightly in 2021-22 but is still well below pre-pandemic levels. Despite these enrollment declines, because of the way AEP and community colleges are funded, adult education providers have not seen reductions in their funding. As a result, AEP consortium members likely have significant capacity next year to serve more students without the Governor's proposed augmentation. As noted earlier, AEP consortia have the authority to decide what programs to offer, including for training in health care fields and English as a second language.

**LAO Recommendation: *Reject Proposed Funding for AEP.*** Due to the significant amount of ongoing funding adult providers currently have to serve more students, the LAO recommends that the Legislature reject the Governor's proposed \$130 million one-time funding. Instead, the Legislature could redirect the funds to higher-priority Proposition 98 purposes.

**Suggested Questions:**

For both proposals:

- What is the expected level of coordination with other entities imagined for these initiatives?
- How were the various amounts determined? How many people are expected to participate in these initiatives? How are you measuring or tracking these participants? What would be the specific uses of this funding?
- What kinds of supportive services are students receiving? How are you measuring or tracking the services that will be delivered to program participants?
- What kinds of labor market outcomes are program participants expected to achieve? How are you measuring the success outcomes for these investments with respect to the goals that the Administration has for these investments?

On CCC Teacher Credentialing Partnership Program,

- Please provide a status update on the funding provided in the 2019 Budget Act. What outcome data, best practices, and participation information do we have on this investment?

On Healthcare Vocational Education,

- How would this proposal interact with and fit into the Administration's other proposals in the \$1.7 Billion Care Economy Workforce package? How is this proposal distinct from those proposals?
- What healthcare professions/ specific occupational training are being targeted with this proposed investment?
- Given the differences in training for specific occupations within healthcare, what are the expected outcomes for students who go through instruction and how would this instruction prepare the students for job readiness in these fields?

**Staff Recommendation.** Hold Open.