Subject: California Community Colleges Economic and Workforce Development Program.

SUMMARY

This bill makes various changes to several provisions of the California Community Colleges (CCC) Economic and Workforce Development Program (EWDP), including repealing the sunset on the current program and repealing the Job Development Incentive Training Program portion of the program.

BACKGROUND

Existing law:

1) Establishes the CCC EWDP to, among other things, advance California’s economic growth and global competitiveness through education, training, and services that contribute to continuous workforce improvement. Additionally, the CCC EWDP:

   a) Authorizes the CCC Board of Governors (BOG) of the CCC to award grants and project funds for the program, as specified.

   b) Establishes the Job Development Incentive Training Program as a component of the CCC EWDP.

   c) States the intent of the Legislature that the Job Development Incentive Training Program provide training on a no-cost or low-cost basis to participating employers who create employment opportunities at an acceptable wage level for the attainment of self-sufficiency by specified groups.

   d) Requires the CCC EWDP to be implemented only during those fiscal years for which funds are appropriated for its purposes.

   e) Repeals the CCC EWDP on January 1, 2025.

ANALYSIS

This bill:
1) Revises and recasts some provisions of the EWDP, specifying that the program operate according to certain principals, including:

   a) Be responsive to the needs of employers, incumbent workers, and students;

   b) Develop strong partnerships with the private sector, ensuring industry involvement in needs assessment, planning, work-based experiences, and program evaluation; and,

   c) Adopt continuous improvement processes.

2) Revises and recasts some provisions of the EWDP mission statement, as specified.

3) Affirms that the CCC BOG may establish an advisory committee for the EWDP, as specified.

4) Specifies that, at a minimum, the decision criteria for allocating grants and project funds to colleges will be based on each of the following:

   a) An assessment of how the funding results in measurable job placement and work-based learning outcomes that are evidence based and scalable for students and dislocated and incumbent workers;

   b) An evaluation of the relevance of the funding to the labor market needs of the state and relevant region’s competitive and emerging industry sectors and industry clusters, or to the state’s need to fill skills gaps and skills shortages in the economy, including skills gaps and emergency labor shortages at the state and regional level;

   c) An assessment of the past performance of the college on student outcomes, as measured based on achievement of the systemwide goals identified in the Vision for Success adopted by the BOG in 2017;

   d) An assessment of the college’s performance on student outcomes and contractual financial management based on previous funding;

   e) An assessment of the college’s past performance on establishing effective and collaborative regional partnerships with key stakeholders, including, but not limited to, other colleges within the defined region, local workforce investment boards, economic development organizations, adult education providers, and other organizations with related career mobility missions;

   f) An assessment of the grantee’s capacity to identify, collect, analyze, disaggregate, and interpret relevant labor market information, wage data, college performance, and student-centered data to inform decision-making and equity-centered results.
g) An assessment of the college’s capability to identify effective partner organizations and contractually manage subawards in order to reach stated student-centered outcomes and overall performance.

5) Specifies that the CCC Chancellor’s Office must provide systemwide oversight and assessment of the economic and workforce development program, and will evaluate projects and programs to assess whether awardees achieved their stated student-centered outcomes and the overall effectiveness of the projects and programs.

6) Establishes that the CCC chancellor may establish program requirements, awardee eligibility requirements, and performance standards in the administration of the economic and workforce development program, and distribute funds as appropriate to implement the program.

7) Declares that the CCC chancellor may provide technical assistance to community colleges for the purpose of improving the data and outcomes of their proposals.

8) Requires the CCC chancellor, in awarding funds, to take into account colleges serving economically disadvantaged students in economically distressed urban and rural areas.

9) Revises and recasts various definitions.

10) Establishes that EWDP centers and CCC participation in industry-driven regional collaboratives may provide specified services and functions as participants of networks.

11) Repeals the Job Development Incentive Training Program.

12) Requires the CCC chancellor to implement funding analysis and performance accountability outcome measures for the economic and workforce development program, as specified.

13) Repeals the January 1, 2025, EWDP sunset.

STAFF COMMENTS

1) **Need for the bill.** According to the author, “AB 1370 would modernize the [CCC EWDP] and prioritize equitable student outcomes, work-based learning, and career and economy mobility. AB 1370 ultimately would put the money that’s currently allocated to this program to modernize this program and give students the tools to choose to go into a workforce that is in great need of new workers.”

2) **Vision for success and the Governor’s Roadmap.** In 2017, the CCC BOG adopted the Vision for Success, a comprehensive framework to improve student outcomes by closing achievement gaps, increasing degree and certificate attainment, increasing transfers to four-year institutions, reducing excess unit accumulation by students, and provides the necessary skills for gainful
The Vision for Success included the following five primary goals:

a) Increase completion of degrees, credentials, and job-specific skill sets by 20% by 2022.

b) Increase transfers to the University of California (UC) and California State University (CSU) by 35% by 2022.

c) Decrease the average number of units accumulated by associate degree earners to 79 units by 2022 (down from an average of 87 units in 2017).

d) Increase the number of exiting Career Technical Education students employed in their field of study to 76% by 2022 (up from 60% in 2017).

e) Reduce equity gaps by 40% across all of the above measures by 2022, and fully close those gaps by 2027; including regional gaps.

Governor Newsom and the CCC Chancellor’s Office entered into a multi-year roadmap containing mutually prioritized goals, expectations, and accompanying outcome measures. These expectations are modeled after the Vision for Success, and include:

a) Increase the percentage of students earning degrees, certificates and specific skill sets for in-demand jobs by 20% by 2026.

b) Increase the percentage of TK-12 students who graduate with 12 or more college units earned through dual enrollment by 15%.

c) Focus on establishing or expanding programs that address workforce needs in healthcare, climate action, education, and early education.

d) Increase the number of transfers to the UC or CSU in proportion to enrollment growth in those systems.

e) Annually publish, for all colleges, the 2-year associate degree graduation rate and the share of first-time students who have successfully completed at least 30 units before entering their second year, disaggregated for underrepresented and Pell students.

f) Establish pathways in those fields from high school through university, including development of Associate Degree for Transfer and transfer pathways along with dual enrollment opportunities that ensure transfer of community college credits toward degree programs.
g) Decrease the median units to completion in excess of 60 by 15% of the units, and establish systemwide stretch goals regarding the number of students completing or transferring within the minimum amount of time necessary.

h) Establish a baseline for credit for prior learning (CPL) offerings and increase these offerings annually. Increase systemwide access and enrollment into direct-assessment competency based education (CBE) programs by 15%.

i) Improve systemwide graduation rates, transfer rates, and time to completion among underrepresented, Pell Grant recipients, and disabled students to meet the average of all students by 2026.

j) Close equity gaps in access to dual enrollment programs.

k) Increase the percentage of completing students who earn a living wage by 15%.

3) **Arguments in support.** The Student Senate for the California Community Colleges writes, “AB 1370 requires the effective use of data to guide the EWD Program’s work and help it grow California’s middle-class. A data-informed approach will assist employers in need of skilled workers, and will allocate resources to fill high-demand occupations, particularly in moments of emergency labor shortages. We support AB 1370’s commitment to put data at the center of the EWD Program so that it is focused on both present and future market needs.”

“This bill will better connect students, employers, and workers to each other in the communities where they live. Under AB 1370, regional centers will work with small businesses and employers to enable greater competitiveness and career mobility, not just for students, but also for dislocated and incumbent workers in a modern economy, including through remote employment and networking opportunities.”

**SUPPORT**

Office of Lieutenant Governor Eleni Kounalakis  
California Chamber of Commerce  
North Orange County Community College District  
Pasadena Area Community College District  
San Jose-evergreen Community College District  
Student Senate for California Community Colleges

**OPPOSITION**

None received

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