
THIRD READING

Bill No: SB 711
Author: Caballero (D), et al.
Amended: 4/26/23
Vote: 21

SENATE EDUCATION COMMITTEE: 6-0, 4/19/23
AYES: Newman, Ochoa Bogh, Cortese, Glazer, McGuire, Smallwood-Cuevas
NO VOTE RECORDED: Wilk

SENATE APPROPRIATIONS COMMITTEE: 7-0, 5/18/23
AYES: Portantino, Jones, Ashby, Bradford, Seyarto, Wahab, Wiener

SUBJECT: Community colleges: blockchain degree programs and technology:
working group

SOURCE: Digital Currency Traders Alliance

DIGEST: This bill requires the California Community College (CCC) Chancellor's Office, in consultation with the Academic Senate, to produce a report relating to the blockchain industry.

ANALYSIS:

Existing law:

- 1) Establishes the CCC, a postsecondary education system consisting of community college districts (CCDs) and the Board of Governors (BOG) of the CCC. (Education Code (EC) § 70900)
- 2) Requires the CCC BOG to provide leadership and direction in the continuing development of the CCC as an integral and effective element in the structure of public higher education in the state. (EC § 70901)

- 3) Requires the work of the BOG to at all times be directed to maintaining and continuing, to the maximum degree permissible, local authority and control in the administration of the CCC. (EC § 70901)
- 4) Requires that the BOG provide general supervision over CCDs, and perform various functions, including establishing minimum standards to govern student academic standards relating to graduation requirements and standards for credit and noncredit classes, standards governing procedures established by CCDs to ensure faculty, staff and student the right to participate and express opinions and the right of academic senates to assume primary responsibility for making recommendations in the areas of curriculum and academic standards (EC § 70901).

This bill:

- 1) Requires the Chancellor of the CCC, in consultation with the Academic Senate, to produce a report by December 31, 2024 that addresses the following:
 - a) A review of existing CCC programs and courses that are aligned with the blockchain industry.
 - b) An analysis of the blockchain industry and demand, including employer needs, student demand and institutional capacity.
 - c) Ways to align blockchain workforce needs of employers with the education and training provided by CCC.
 - d) Recommendations on activities related to pipeline development between career technical education programs offered by local educational agencies and CCC.
 - e) Recommendations on potential strategies to promote blockchain related careers where a workforce shortage exists.
- 2) Requires the Chancellor's Office to leverage its existing workforce programs structure and network to convene the necessary stakeholders in the blockchain sector, or similar industries, to identify workforce needs within regional economies.

- 3) Provides that the report shall include the contributions of faculty, workforce development, K-12 and other relevant stakeholders, and requires the Office of the Chancellor to provide a copy of the report to the Legislature by December 31, 2024.

Comments

- 1) *Need for the bill.* According to the author, “Blockchain technology can significantly help historically disadvantaged communities by connecting them with high-paying jobs. Average entry-level jobs in the blockchain sector, which pay on average \$117,000, are hard to access because of the skillset required and are out of reach for most low-income communities of color. By providing economic opportunities in historically disadvantaged communities, we can diversify the local economies, expand the tax base, improve constituent services, and help communities of color advance within the tech sector.”
- 2) *Blockchain.* Blockchain is a new type of digital technology that has a wide range of practical applications across different industries and governments. Blockchains are commonly described as holding encrypted chunks of digital asset data and chaining them together to create a single source of authenticity that is chronological. According to the description of the University of California Irvine’s blockchain certificate program, what distinguishes blockchain technology is that it is an online open ledger for anyone and everyone to see. It further describes this ledger as having a serious level of encryption through some sophisticated mathematics that makes it difficult to have its content altered. The technology is used in products such as financial agreements and cryptocurrencies such as Bitcoin, but it reportedly has many other applications. Each segment of California’s public higher education system offers blockchain courses, many through extended learning opportunities and as either a component of a related certificate program (e.g., software development or cybersecurity) or as a series of courses in a standalone certificate program. These short-term certificate programs seem to be the educational standard for higher education institutions. This bill requires that an analysis of the blockchain industry and demand, including employer needs, student demand and institutional capacity be included in the report to help align CCC programs in this field of study with student demand and state needs.
- 3) *Related Executive Order.* In 2022, the governor issued an executive order to address the state’s responsible innovation and regulation of blockchain technology and crypto assets. It identified several priorities that are consistent with President Biden’s Executive Order issued on March 9. As it pertains to

education, the order directed the Governor's Council for Postsecondary Education to identify opportunities to create a research and workforce environment to support blockchain technology innovation, including crypto assets. Council members are also encouraged to: 1) collaborate and identify opportunities to build workforce pathways that ensure an equitable and robust pipeline of talent to the industry; and 2) generate basic and applied research to continue to lead on future generations of blockchain technology. It is unclear whether this work has been initiated by the Governor's Postsecondary Education Council.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriation Committee:

The Chancellor's Office estimates one-time General Fund costs ranging from \$26,000 to \$137,000 to conduct a series of meetings and produce the report. The workload activities would include the review of existing community college programs and courses; analyzing the blockchain industry; assessing how to align blockchain workforce needs with the education and training provided by the colleges; recommending activities related to pipeline development between local educational agencies and community colleges; and recommending strategies to promote blockchain careers.

SUPPORT: (Verified 5/18/23)

Digital Currency Traders Alliance (source)
Block, INC.
Blockchain Advocacy Coalition
Gavilan Joint Community College District
Roseville Area Chamber of Commerce
Wid - Woman in Data

OPPOSITION: (Verified 5/18/23)

None received

Prepared by: Olgalilia Ramirez / ED. / (916) 651-4105
5/20/23 13:05:31

**** END ****