
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 1098 (Fong) - California Education Interagency Council

Version: September 5, 2025

Policy Vote: ED. 7 - 0, JUD. 13 - 0, ED. 5
- 0

Urgency: No

Mandate: No

Hearing Date: September 11, 2025

Consultant: Lenin Del Castillo

Bill Summary: This bill establishes the California Education Interagency Council (Council) within the Government Operations Agency (GovOps) to align education and workforce systems and support adult skill development. This bill also creates the Office of the California Education Interagency Council as a neutral administrative body.

Fiscal Impact: The 2025 Budget Act includes a General Fund appropriation of \$1.5 million to support an Education and Workforce Development Coordinating Council. However, the Council would likely require a funding level exceeding that amount at full implementation. The extent of these costs is unknown and would be deliberated as part of future budget negotiations. Staff notes that GovOps submitted a Budget Change Proposal (for consideration as part of the 2025 Governor's Budget) requesting an augmentation of \$5 million (General Fund) and 16.0 positions to establish and operate the Council.

Background: Existing law establishes the California State University (CSU) which offers undergraduate and graduate instruction through the master's degree in liberal arts and sciences and professional education, including teacher education. The CSU is authorized to establish two-year programs only when mutually agreed upon by the Trustees and the California Community Colleges Board of Governors. The CSU is also authorized to jointly award the doctoral degree with the University of California (UC) and with one or more independent institutions of higher education.

Existing law authorizes the UC to provide undergraduate and graduate instruction and has exclusive jurisdiction in public higher education over graduate instruction in the professions of law, medicine, dentistry, and veterinary medicine. The UC is also the primary state-supported academic agency for research.

Existing law establishes the California Community Colleges (CCCs) whose mission is to offer of academic and vocational instruction at the lower division level. The CCCs are authorized to grant the Associate in Arts and the Associate in Science degrees. They are also required to offer learning supports to close learning gaps, English as a Second Language instruction, and adult noncredit instruction, and support services which help students succeed at the postsecondary level.

Existing law establishes the California Postsecondary Education Commission (CPEC) composed of 17 members representing the higher education segments, the State Board of Education, and nine representatives appointed by the Governor, Senate Rules

Committee, and Assembly Speaker to coordinate public, independent, and private postsecondary education in California. However, the CPEC was defunded in 2011.

Existing law establishes the GovOps which oversees and supports the work of 13 departments, boards, and offices, including the State Personnel Board, the Department of General Services, and the Office of Administrative Law

Proposed Law: This bill establishes the Council in GovOps, which would be charged with evaluating the changing nature of work, aligning education and workforce systems, supporting adult skill development, ensuring regional supply meets workforce demand, and serving as a forum on cross-sector education and workforce issues. The bill specifies that the council's membership shall include leaders of K–12, higher education, workforce, and finance agencies, plus one nongovernmental representative, and requires open meetings.

This bill establishes the Office of the California Education Interagency Council (managing entity) as a neutral administrative body, overseen by an executive officer appointed by the Governor. It requires the Council to meet regularly, adopt strategic and work plans, and submit biennial reports to the Governor and Legislature on outcomes and recommendations for cross-sector initiatives. The bill also authorizes the Council to create advisory committees, including a principal advisory committee and, upon appropriation, a faculty and employer advisory committee, to ensure stakeholder and industry input.

This bill requires the Council to collaborate with state data systems, including the Labor and Workforce Development Agency and Cradle-to-Career, to inform planning and alignment efforts.

The bill's provisions would only be operative if SB 638 (Padilla, 2025) is enacted.

Related Legislation: SB 638 (Padilla, 2025) would make changes to the Career Technical Education Incentive Grant program and require the Council to develop recommendations regarding CTE, college and career pathways, and workforce development recognizing existing segmental plans. This bill is pending on the Assembly Floor.

Staff Comments: The state has lacked a statewide planning and coordinating body for education and workforce development programs since the CPEC was defunded in 2011. This has resulted in several issues, including fragmented data systems and a lack of coordinated, statewide goals among the segments. This bill is intended to address these issues and establish a neutral, interagency council within GovOps. It is also part of a coordinated effort with SB 638 (Padilla, 2025) which provides the Council with advisory responsibilities related to career technical education, career pathways, and workforce development. The Council would be advisory in nature and its membership would consist of the state's major education and workforce leaders, including the President of the State Board of Education, the Superintendent of Public Instruction, representatives from the segments of higher education, and the Secretary of Labor and Workforce Development. While the 2025 Budget Act includes \$1.5 million for an Education and Workforce Development Coordinating Council, the ongoing costs to operate the Council at full implementation is likely to be higher. To illustrate, the

GovOps submitted a 2025-26 Budget Change Proposal requesting \$5 million General Fund each year and 16.0 positions to establish and operate the Council. The Council would be tasked with bringing together TK-12 education, higher education, and state economic and workforce development agencies to improve planning and coordination across state government.

According to the author, “California values workforce development and career technical education to ensure that students and adults are equipped to meet changing labor needs, and has an annual allocation of a billion dollars for various K-12, higher education and workforce development programs. However, these programs work independently and not based on an overall plan that is data driven. California is the only state without a coordinating body, which has resulted in the fragmented structure of individual programs. AB 1098 establishes the California Education Interagency Council that will bring together K-12, higher education, and labor/workforce agencies to help improve cross-sector collaboration, drive data-informed policy, and build transparent pathways that meet the needs of students, workers, and employers across the state. The bill aims to eliminate duplicative efforts and ensure public investments yield equitable and effective outcomes for all Californians.”

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