
THIRD READING

Bill No: AB 1590
Author: Ransom (D), et al.
Introduced: 8/13/26 in Senate
Vote: 21

SENATE EDUCATION COMMITTEE: 7-0, 6/10/26

AYES: Pérez, Ochoa Bogh, Cabaldon, Choi, Cortese, Menjivar, Reyes

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/13/26

AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 77-0, 5/14/26 (Consent) - See last page for vote

SUBJECT: California Career Technical Education Incentive Grant Program:
revised allocation formula

SOURCE: Career Technical Education Coalition

DIGEST: This bill requires the California Department of Education (CDE), in consultation with the Executive Director of the State Board of Education (SBE), to revise the California Career Technical Education Incentive Grant (CTEIG) allocation formula no later than the 2027-28 fiscal year to ensure that all funds appropriated for the program are fully allocated in the fiscal year in which the funds are appropriated, to the maximum extent practicable.

ANALYSIS:

Existing law:

- 1) Establishes the CTEIG Program as a state education, economic, and workforce development initiative intended to encourage, maintain, and strengthen the delivery of high-quality career technical education (CTE) programs. (Education Code (EC) § 53070)

- 2) Provides an ongoing appropriation of \$300 million annually for the CTEIG program beginning in the 2021-22 fiscal year, subject to appropriation by the Legislature, and specifies that funding be distributed among small, medium, and large applicants based on average daily attendance (ADA). (EC § 53070)
- 3) Requires applicants to provide a local match of \$2 for every \$1 received from the program and prohibits an applicant from receiving an amount greater than the amount determined by the allocation formula. (EC § 53071)
- 4) Requires applicants to demonstrate that their CTE programs meet specified minimum eligibility standards, including high-quality curriculum and instruction, work-based learning opportunities, student support services, labor market alignment, industry partnerships, pathways to postsecondary education and employment, access for students with exceptional needs, and annual data reporting. (EC § 53071)
- 5) Requires the California Department of Education (CDE), in consultation with the Executive Director of the SBE, to give positive consideration to applicants serving unduplicated pupils, students with higher-than-average dropout rates, applicants in areas of high unemployment, regional programs operated by county offices of education or joint powers authorities, and applicants demonstrating regional collaboration, industry engagement, and infrastructure investment. (EC § 53075)
- 6) Requires the Superintendent of Public Instruction (SPI), in collaboration with the Executive Director of the SBE, to determine and publicly release the CTEIG allocation formula, allowable expenditures, funding amounts, and number of grants to be awarded. (EC § 53076)
- 7) Establishes the K-12 Strong Workforce Program, administered by the California Community Colleges Chancellor's Office, to support regional CTE and workforce alignment efforts. (EC § 88827)
- 8) Establishes the Golden State Pathways Program to support the development and implementation of college and career pathways in high-wage, high-skill, and high-growth industry sectors. (EC § 53020)

This bill requires CDE, in consultation with the Executive Director of the SBE, to revise the CTEIG allocation formula no later than the 2027-28 fiscal year to ensure that all funds appropriated for the program are fully allocated in the fiscal year in which the funds are appropriated, to the maximum extent practicable.

Comments

- 1) *Need for the bill.* According to the author, “Career Technical Education programs are essential in exposing students to a wide range of career pathways, preparing them with practical, workforce-ready skills, and offering specialized coursework that support both career readiness and access to higher education. Unfortunately, nearly \$120 million in state-approved CTE funding has not reached our students due to a broken funding formula. AB 1590 requires the Superintendent of Public Instruction and the State Board of Education to fix this formula to ensure that when the state appropriates funding for CTE, all those dollars go directly to students.”
- 2) *This bill appears to respond to growing frustration regarding unallocated CTEIG funds.* This bill is intended to address longstanding concerns from local educational agencies (LEAs), county offices of education, regional occupational programs, and other CTE stakeholders that significant amounts of appropriated CTEIG funding have gone unallocated despite strong statewide demand for CTE investments. According to the author and supporters, nearly \$120 million in appropriated funding remained unawarded over recent grant cycles due to limitations within the allocation methodology currently used by the CDE.

The concern underlying this bill appears to stem less from insufficient applicant demand than from the interaction between the formula-generated entitlement amount and the program’s required local match. Historically, applicants have been effectively funded based on the lesser of: (1) the amount generated by the allocation formula; or (2) the amount supported by the applicant’s available local match. In instances where an applicant’s available match has been lower than its calculated entitlement, the remaining entitlement capacity has not been redistributed to other applicants with unused match capacity, resulting in carryover balances and subsequent funding rounds.

- 3) *Existing law provides broad authority over the allocation formula, but also establishes guardrails.* Existing law grants CDE, in consultation with the Executive Director of the SBE, substantial discretion to determine the CTEIG allocation formula. At the same time, statute establishes several significant parameters around the program, including the required 2:1 local match, the distribution of funds among small, medium, and large applicants, minimum eligibility standards, and required “positive consideration” factors favoring high-need and regionally collaborative applicants.

This bill does not prescribe a specific revised methodology. Instead, it establishes an outcome-oriented requirement that all appropriated funds be allocated within the fiscal year in which they are appropriated. As a result, the

bill raises an important policy and legal question regarding the extent to which existing law already provides CDE sufficient authority to revise the methodology in a manner that fully allocates available funds absent additional statutory changes.

- 4) *Potential administrative changes may partially address the concerns raised by this bill.* Since the introduction of this measure, CDE has been evaluating revisions to the CTEIG allocation methodology intended to reduce or eliminate the carryover balances that have occurred in recent funding rounds. The recently released Round 12 Request for Applications states that the allocation methodology for the upcoming cycle will “slightly differ” from prior years and further states that the CDE “anticipates allocating all available funds in a single funding round.”

According to CDE, the Round 12 allocation methodology differs from prior years in two significant ways. First, the methodology proportionally allocates an applicant’s unduplicated pupil count (UPC) based on the percentage of ADA attributed to an individual application versus a consortium application. Second, where an applicant’s available local match is less than the amount generated by the allocation formula, funding that would otherwise remain unallocated is redistributed among other applicants with remaining match capacity. According to CDE, these changes are anticipated to allow all available program funds to be allocated in a single funding round.

To the extent the CDE is able to implement a methodology that consistently allocates the full annual appropriation within existing statutory authority, this bill may not be necessary. At the same time, proponents may argue that codifying the expectation that all appropriated funds be fully allocated each fiscal year would help ensure that future administrations continue prioritizing full allocation of available CTEIG funding.

- 5) *Bill reflects a broader statewide focus on workforce development and career readiness.* This measure aligns with ongoing state efforts to strengthen college and career pathways, improve alignment between TK-12 education and workforce needs, and expand access to work-based learning opportunities. As noted in the Governor’s Master Plan for Career Education stakeholder discussions, stakeholders identified fragmented and inconsistent funding streams as a major challenge to sustaining high-quality CTE pathways and workforce partnerships over time.

CTE coursework has also been associated with improved educational and workforce outcomes, including higher graduation rates, improved

postsecondary participation, and stronger employment outcomes, particularly for historically underserved student populations. In that context, supporters argue that ensuring existing CTEIG appropriations consistently reach LEAs and students is an important component of the state's broader workforce and economic development goals.

- 6) *CTEIG operates within a broader landscape of CTE funding streams.* While concerns regarding unallocated CTEIG funds are significant, CTEIG is one of several major state and federal funding streams supporting CTE programs. LEAs may also support CTE programs using Local Control Funding Formula (LCFF) base funding, Perkins V funds, the K-12 Strong Workforce Program, Golden State Pathways grants, California Partnership Academies, Agricultural Career Technical Education Incentive Grants, and various local or regional workforce initiatives.

Nevertheless, because CTEIG remains one of the state's largest ongoing dedicated K-12 CTE funding sources, stakeholders argue that persistent carryover balances undermine both the practical and symbolic value of the state's continued investment in workforce preparation and career readiness.

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

According to the Senate Appropriations Committee:

This bill is not expected to result in additional Proposition 98 General Fund costs to the state. Additionally, the California Department of Education (CDE) indicates that any workload costs would be minor and absorbable.

SUPPORT: (Verified 8/13/26)

Career Technical Education Joint Powers Authority Coalition (source)

aiEDU

Alameda County Office of Education

Amador County Unified School District

Association of California School Administrators

Baldy View Regional Occupational Program

California Charter Schools Association

California County Superintendents

California High School District Coalition

California Legislative Women's Caucus

California New Car Dealers Association

CAROCP - the Association of Career and College Readiness Organizations

Central Valley Education Coalition
Chaffey Joint Union High School District
Coalition for Career Technical Education
Coastline Regional Occupational Program
Contra Costa County Office of Education
Desert Sands Unified School District
Educational Results Partnership
El Monte Union High School District
Fullerton Joint Union High School District
Glenn County Office of Education
Grossmont Union High School District
Huntington Beach Union High School District
John Muir Charter Schools
LA Educ Corps
Lake County Office of Education
Manteca Unified School District
Mission Valley ROP
Mountain Desert Career Pathways Joint Powers Authority
Murrieta Valley Unified School District
Napa County Office of Education
Nevada Joint Union High School District
Northern Humboldt Union High School District
Orange County Department of Education
San Benito High School District
San Bernardino County District Advocates for Better Schools
San Diego Unified School District
San Gabriel Valley Regional Occupational Program
San Joaquin County Office of Education
Shasta-Trinity Regional Occupational Program
SIATech High Schools
Small School Districts Association
Sutter County Superintendent of Schools
Tri-Cities Regional Occupational Program
Valley Regional Occupational Program
Wheatland Union High School District
YouthBuild Charter School of California

OPPOSITION: (Verified 8/13/26)

None received

ASSEMBLY FLOOR: 77-0, 5/14/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Arambula, Flora, Celeste Rodriguez

Prepared by: Ian Johnson / ED. / (916) 651-4105
8/17/26 10:38:02

**** END ****