
SENATE COMMITTEE ON EDUCATION

Senator Benjamin Allen, Chair

2017 - 2018 Regular

Bill No: SB 317 **Hearing Date:** April 26, 2017
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Urgency: No **Fiscal:** Yes
Consultant: Brandon Darnell

Subject: California Community Colleges Economic and Workforce Development Program

SUMMARY

This bill extends the California Community Colleges (CCC) Economic and Workforce Development (EWD) Program sunset date from January 1, 2018 to January 1, 2023.

BACKGROUND

Existing law:

- 1) Establishes the EWDP and specifies the program's mission and goals and an administrative structure for the program (Education Code § 88600 et seq.) that includes:
 - a) The CCC Business Resource Assistance and Innovation Network Trust Fund. (EC § 88625)
 - b) Centers and Regional Collaboratives. (EC § 88630 et seq.)
 - c) The Job Development Incentive Training Program. (EC § 88640 et seq.)
- 2) Authorizes the CCC Board of Governors (BOG) to award grants and project funds to districts for leadership in accomplishing the mission and goals of the program, provided that funds are appropriated in the annual Budget Act, on a competitive basis, as determined by the BOG and authorized in the annual Budget Act.
(EC § 88610)
- 3) EWDP is administered through the CCC Chancellor's office which is required under current law to implement accountability measures and annually report specified information to the Governor and the Legislature. (EC § 88650 et seq.)
- 4) Requires the CCC Board of Governors to assist economic and workforce regional development centers and consortia to improve linkages and career technical education (CTE) pathways between high schools and CCCs in a manner that improves the quality of career exploration. (EC § 88532)

ANALYSIS

This bill extends the California Community Colleges (CCC) Economic and Workforce Development (EWD) Program sunset date from January 1, 2018 to January 1, 2023.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, “Projections indicate that by 2025, 30 percent of all job openings in California (a total of 1.9 million jobs) will require some type of middle-skills training – postsecondary education short of a four-year degree – and the state is expected to fall short one million skilled workers. Economic and Workforce Development (EWD) is an integral part of the California Community Colleges that invests funding and resources in industry sectors that are key to California’s economic growth. EWD’s industry-specific workforce services are coordinated through a system of sector specialists that align community college and other workforce development resources with the needs of industry sectors and occupational clusters through a regional focus. The goal is to invest in the skills of California’s workforce – now and in the future – through partnerships with business and industry that result in highly specialized industry training, technical consulting and business development. The end result is to meet industry’s need for skilled workers.”
- 2) ***EWD Program.*** The CCC system serves 2.1 million students. Existing law establishes EWD Program as part of the core mission of the CCC system. The purpose of the EWD Program is to advance California’s economic growth and global competitiveness through education and services that contribute to continuous workforce improvement, technology deployment, and business development and are consistent with the current needs of the state’s regional economies. CCCs and business partners form consortia to identify regional workforce needs and priorities, provide assistance to small businesses in the region through local Economic and Workforce Development Centers, and train workers. The partnerships enable CCCs to develop curricula that address the training needs of local industries. Codified in 1991, the EWDP formalized earlier efforts to coordinate statewide technical training and programs for small businesses and economic development.
- 3) ***2016 independent evaluation.*** SB 1402 (Lieu, Ch. 361, Stats. 2012) required an independent evaluation of the EWD Program. According to the evaluation, which was conducted by Education Insights Center California State University, Sacramento (<http://edinsightscenter.org/Portals/0/ReportPDFs/ewd-report-final.pdf?ver=2016-05-11-125140-810>), “EWD is an important component of the state’s career technical education program. It connects employers with educators to promote alignment of workforce development needs and community college educational offerings. EWD fits into the umbrella DWM framework created by the CCC Chancellor’s Office in an effort to motivate a coherent strategy in supporting California’s dynamic economy. EWD Program design was well received as a means of structuring and unifying activities. The structure of EWD helped to unify program processes, activities, and services to support economic and workforce

development across the state, as reported by grantees and stakeholders. They consistently noted these key components of the program's design:

- a) Regional focus.
- b) Multi-level delivery and support system.
- c) Focus on coordinating with stakeholders.

Economic and Workforce Development's (EWD) regional focus acknowledges the diversity of local needs across the state while also supporting coordination between colleges and within local labor markets. The second component, the delivery and support system, recognized regional, state, sector-specific, and technical service needs. It also provided layered coverage of economic and workforce needs while supporting specialization and broader needs. EWD's explicit focus on bringing together stakeholders with shared interests and its willingness to break down barriers to promote coordination was the third major design element of EWD that was well received. Together, these key components provide a foundation that EWD should utilize to improve and hone its processes and outcomes."

- 4) **2017 annual report.** According to the EWD Program's annual report (<http://californiacommunitycolleges.cccco.edu/Portals/0/Reports/2017-EWD-Report-ADA-Reduced.pdf>), the EWD Program awarded \$24.8 million to initiatives to fund 95 grants statewide and EWP Program investments, when braided with funds from other sources like the federal Carl D. Perkins Career and Technical Education Act and the state Career Technical Education Pathways Act, have yielded impressive results, including:
 - a) 61,056 students served.
 - b) 19,624 employees served.
 - c) 55,521 total people trained (as of December 2016).
 - d) 3,114 students enrolled in work-based learning (i.e., internships and apprenticeships).
 - e) 19,233 completions of workshops and training.
 - f) 1,433 students placed in jobs.
 - g) 9,414 employees retaining jobs.
 - h) 12,159 businesses served.
 - i) 1,584 people hired by businesses served by the EWD Program.
 - j) 149 new products and services created by businesses across California with the support of EWD Program services.

5) ***Related and previous legislation.*****RELATED LEGISLATION**

AB 669 (Berman, 2017) would extend the California Community Colleges (CCC) Economic and Workforce Development (EWD) Program sunset date from January 1, 2018 to July 1, 2023.

PREVIOUS LEGISLATION

SB 1402 (Lieu, Chapter 361, Statutes of 2012) extended EWDP's sunset through January 1, 2018, and made several changes to the EWDP, which included:

- a) Adding six principles to the program's mission, including collaboration with other institutions, making data driven and evidenced-based funding decisions, and developing strong partnerships with the private sector.
- b) Updating the mission of the EWDP to reflect the need to implement sector strategies that align with labor markets
- c) Enhancing the role of the program's advisory committee to ensure that funding is responsive to changing local market needs.
- d) Specifying minimum program outcome measures to be implemented by the CCC Chancellor's Office.
- e) Requiring the Chancellor's Office, by January 1, 2015, to contract for an independent evaluation of the program's effectiveness, the findings of which shall be provided to the Legislature by March 1, 2016.

SB 1809 (Polanco, Chapter 1057, Statutes of 1996) further clarified the EWDP's legislative intent, defined regional planning, priority setting and coordination, added accountability and audit requirements, and made economic development and continuous workforce improvement a primary CCC mission.

SUPPORT

None received.

OPPOSITION

None received.

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