

Date of Hearing: April 10, 2024

ASSEMBLY COMMITTEE ON EDUCATION
Al Muratsuchi, Chair
AB 3131 (McCarty) – As Amended April 1, 2024

[This bill is double referred to the Assembly Higher Education Committee and will be heard by that Committee as it relates to issues under its jurisdiction.]

SUBJECT: California Career Technical Education Incentive Grant Program: Strong Workforce Program: positive consideration for applicants in historically redlined communities

SUMMARY: Requires that the California Department of Education (CDE) and the Executive Director of the State Board of Education (SBE), in determining proposed grant recipients for the Career Technical Education Incentive Grant (CTEIG) program, to add applicants located in historically redlined communities to the list of positive considerations. Also requires the K-12 Strong Workforce Program K-12 selection committees to give positive consideration for grants to programs located in historically redlined communities. Specifically, **this bill:**

- 1) Requires that the CDE and the Executive Director of the SBE, in determining proposed grant recipients for the CTEIG program, add applicants located in a historically redlined community, as determined by the CDE, to the positive considerations.
- 2) Requires the K-12 Strong Workforce Program K-12 selection committees to give positive consideration to programs located in historically redlined communities, as determined by the CDE.

EXISTING LAW:

- 1) Authorizes the CTEIG Program as a state education, economic, and workforce development initiative with the goal of providing students in kindergarten through 12th grade with the knowledge and skills necessary to transition to employment and postsecondary education (Education Code (EC) 53070).
- 1) Appropriates funding for the CTEIG program as follows: \$400 million for 2015-16; \$300 million for 2016-17; \$200 million for 2017-18; and \$150 million per year for 2018-19 to 2020-21; and \$300 million per year beginning in the 2021-22 fiscal year and every year thereafter. (EC 53070)
- 2) Defines grant recipients for CTEIG as one or more school districts, county offices of education (COE), charter schools, regional occupational centers or programs (ROC/Ps) operated by joint power authorities (JPAs) or COEs, or any combination of these. (EC 53072)
- 3) Requires the CDE to annually submit the list of recommended new and renewal grant recipients to the SBE for review and approval prior to making annual grant awards. CDE and SBE, in determining proposed grant recipients, are required to give positive consideration and the greatest weight to those applicants who:
 - i) Serve unduplicated students or subgroups with higher than average dropout rates;

- ii) Are located in an area of the state with a high unemployment rate; and
 - iii) Offer an existing high-quality regional-based CTE program as a joint powers agency (JPA) or COE. (EC 53075)
- 4) Requires the CDE and the SBE, in determining proposed grant recipients to also give positive consideration to those applicants who:
- i) Successfully leverage existing CTE resources and funding, as well as contributions from industry, labor, and philanthropic sources;
 - ii) Engage in regional collaborations with postsecondary education or other local educational agencies (LEAs), including the Strong Workforce Program (SWP) consortium operating in their areas, as well as pathway programs provided under an adopted California and Career Access Pathways (CCAP) partnership agreement;
 - iii) Make significant investments in CTE infrastructure, equipment, and facilities; and
 - iv) Operate within rural districts. (EC 53075)
- 5) Data reporting requirements for CTEIG grantees including the core metrics required by the federal Strengthening Career and Technical Education for the 21st Century Act (Perkins V), the quality indicators described in the California State Plan for CTE, as well as additional specified metrics. Requires the California Workforce Pathways Joint Advisory Committee to review the data metrics annually and make recommendations on whether these data metrics remain the most appropriate metrics to evaluate program outcomes for new and renewal applicants, or whether other metrics should be included. (EC 53071)
- 8) Authorizes the K-12 component of the SWP to create, support, or expand high-quality CTE programs at the K-12 level that are aligned with the workforce development efforts occurring through the SWP, and authorizes, commencing with the 2018-19 fiscal year, and subject to an annual appropriation, \$150 million to be apportioned annually by the California Community College Chancellor's Office (CCCCO) to local consortia. (EC 88827)
- 9) Establishes the California Golden State Pathways Program (GSPP) to provide LEAs with the resources to promote pathways in high-wage, high-skill, high-growth areas, including technology, health care, education, and climate-related fields that, among other things, allow students to advance seamlessly from high school to college and career and provide the workforce needed for economic growth. (EC 53020)
- 10) Federal law, the Strengthening Career and Technical Education for the 21st Century Act, reauthorizes the Perkins V and provides federal support for CTE programs and focuses on improving the academic and technical achievement of CTE students, strengthening the connections between secondary and postsecondary education and improving accountability.

FISCAL EFFECT: Unknown

COMMENTS:

Need for the bill. According to the author, “As part of the California Legislative Black Caucus (CLBC) reparations bill package, AB 3131 ensures that school districts within historically redlined communities are first in line for CTE grants. Students enrolled in high-quality CTE programs have higher graduation rates, college attendance, earnings, and soft skills. But Black students are not benefiting from these programs like their white peers. By prioritizing historically redlined communities when awarding CTE grants, we can ensure that Black students are able to benefit from high-quality vocational programs.”

California Reparations Report calls for actions to improve educational outcomes for African American students. On June 29, 2023, the Task Force to Study and Develop Reparation Proposals for African Americans issued its final report to the California Legislature. The final report surveys the ongoing and compounding harms experienced by African Americans as a result of slavery and its lingering effects on American society today and proposes a comprehensive reparations plan in satisfaction of the direction set forth by the Legislature in AB 3121 (Weber), Chapter 319, Statutes of 2020.

The report notes that, based on data from the U.S. Department of Education’s Civil Rights data collection from 2014 to 2018, African American students continue to face multiple educational disparities, including fewer resources and large and persistent opportunity and achievement gaps. African American students are less likely to attend schools that offer advanced coursework and math and science courses, and they are less likely to be placed in gifted and talented programs.

The Task Force recommends that the Legislature commit the level of funding needed to ensure that African American students across California, especially those who are descendants of persons enslaved in the U.S., have every educational resource, support, and intervention needed to end persistent racial disparities, permanently close the opportunity gap, and allow every student to thrive.

The Center for American Progress notes that schools have historically tracked African American students into low-quality vocational programs as an extension of Jim Crow-era segregation (Smith, 2019). High quality CTE programs offer an essential tool to prepare students for careers in current or emerging professions and as such, offer an essential tool to remedy this persisting discrimination. (Stevens, 2015)

The report makes numerous recommendations to address educational disparities, and relevant to this bill, these include expanding access to CTE for descendants:

- Collecting and disaggregating data about CTE enrollment in California by race;
- Funding and requiring all California public high schools and colleges to offer students access to at least one CTE program; and
- Creating a competitive grant program to increase enrollment of descendants in STEM-related CTE programs (such as green technology) at the high school and college level.

The report further notes that grant funds could support programs to increase Black enrollment in CTE courses including outreach, mentorship, equity-focused training for instructors, and

providing potential students with access to adequate technology and software to access online CTE courses.

Defining Career Technical Education. CTE prepares students for the world of work by introducing them to workplace competencies and makes academic content accessible to students by providing it in a hands-on context. Along the way, students develop career-relevant, real-world 21st Century skills.

CTE is a program of study that involves a multiyear sequence of courses that integrates core academic knowledge with technical and occupational knowledge to provide students with a pathway to postsecondary education and careers. CTE programs in California are organized into 15 industry sectors, covering 57 pathways that identify the knowledge and skills students need. Pathways are a sequence of two or three courses with a final capstone course. Partnerships are usually developed between high schools, businesses, and postsecondary schools, providing pathways to employment and associate, Bachelor's, and advanced degrees.

CTE courses and pathways may be offered in comprehensive high schools with CTE programs, as well as through regional CTE programs or centers operated by JPAs or COEs. Some CTE programs are blended with academic programs in what is known as a "linked learning model." Community colleges and technical institutes also offer CTE at the postsecondary level.

Improved outcomes for CTE students. A wide body of research indicates that involvement in CTE coursework provides improved academic outcomes and other benefits to students with findings, such as the following:

- Students with greater exposure to CTE are more likely to graduate from high school, enroll in a two-year college, be employed, and earn higher wages;
- The average high school graduation rate for students concentrating in CTE programs is 93%, compared to an average national graduation rate of 80%;
- Students taking more CTE classes are just as likely to pursue a four-year degree as their peers;
- 91% of high school graduates who earned 2-3 CTE credits enrolled in college;
- CTE provides the greatest boost to students who need it most – boys and students from low-income families; and
- 80% of students taking a college preparatory academic curriculum with rigorous CTE met college and career readiness goals, compared to only 63% of students taking the same academic core who did not experience rigorous CTE.

College and career readiness is a state priority. Each LEA's Local Control and Accountability Plan (LCAP) must demonstrate, among other priorities, how they are ensuring that all students are being prepared to be college and career ready. The College and Career Readiness Index displayed on each LEA's dashboard includes data on the number of students completing a CTE pathway. State level data for 2023 shows that overall 43.9% of high school graduates are considered "prepared" on the College/Career Indicator. When comparing subgroups, 25.1% of

African American students, 35.5% of Hispanic students, 53.2% of White students, and 75.8% of Asian students were considered prepared.

Current K-12 CTE programs. There are a number of initiatives supporting K-12 CTE programs supported by state and federal funds, including two large competitive grant programs offering ongoing funding:

- 1) **The Career Technical Education Incentive Grant (CTEIG) Program** was originally established in 2015 as a one-time investment of \$900 million to cover a three-year span and acted as a bridge for LEAs to support CTE programs until the Local Control Funding Formula (LCFF) was fully funded. It was created as a state education, economic, and workforce development initiative to provide students in kindergarten through grade twelve with the knowledge and skills necessary to transition from secondary education to postsecondary education and living-wage employment. The purpose of the program is to encourage, maintain, and strengthen the delivery of high-quality CTE programs. The program is administered by the CDE. In 2018, ongoing funding of \$150 million for CTEIG was appropriated. In 2021, the annual funding for CTEIG was increased to \$300 million.

Prior to the adoption of the LCFF, the state provided funding for CTE through a number of categorical programs, including the ROC/P which was funded at \$400 million at the time. This funding was folded into the LCFF, increasing the LCFF base rate for high schools by 2.6%.

Grants are awarded under the CTEIG program by CDE, in consultation with the SBE, in response to applications submitted by LEAs outlining the ways in which they meet the statutorily defined requirements, including a 2:1 match of local to state funding. For the 2022-23 fiscal year, the CDE received 383 applications from LEAs. A total of \$266 million has been allocated to the 375 eligible applicants. A second round of funding allocated an additional \$2.3 million to 5 eligible applicants.

- 2) **The K-12 Strong Workforce Program (K-12 SWP)** was established in 2018 as a component of the Community Colleges' SWP to create, support, or expand high-quality CTE programs at the secondary level that are aligned with the workforce development efforts occurring through the SWP. As is the case for CTEIG, the K-12 SWP is meant to support the overall development of high-quality K-12 CTE programs, courses, course sequences, programs of study, and pathways. The program is administered by the CCCCO. The program is currently funded at \$150 million per year.

Unlike the CTEIG program, which is administered at the state level, the CCCCO allocates K-12 SWP grant funding to eight regional consortia according to a statutory formula. Each regional consortium is required to administer a competitive grant program it receives to LEAs in the region. Each consortium establishes a selection committee made up of individuals with expertise in K-12 CTE and workforce development, including teachers, administrators, community college faculty or administrators, and other K-12 education stakeholders. Employees of LEAs applying for grants under the program may serve as members of the selection committees. Each selection committee has exclusive authority under state law to determine the recipients of K-12 SWP grants in its region and the specific amount for each grant. For the 2022-23 fiscal year, 224 individual pathways were funded for a total allocation of \$143.7 million.

Participation in CTE courses varies by race/ethnicity. Research suggests that historical influences regarding race/ethnicity play a role in high school CTE programs. Compared to youth who intend to enroll in postsecondary education, youth who plan to enter the workforce immediately after high school are disproportionately male, from minority backgrounds, and/or exhibit lower academic performance than their peers (Rojewski, 2003). Racial discrimination and systemic exposure to less academically rigorous curricula are among the factors that contribute to the stratification of educational and occupational attainment (Fletcher, 2012). However, in recognition of the need to close the equity gap for minorities in high school CTE programs, there has been national support for CTE. An analysis of CTE student enrollments across the U.S. by race in 2012 found that 52% were White, 23% Hispanic, 16% Black, 4% Asian, 2% two or more races, 1% American Indian/Alaska Native, and 1% Pacific Islander, these proportions were in close alignment with overall secondary enrollment data. (Hamilton, 2015)

A 2023 report by Policy Analysis for California Education (PACE) notes that CTE pathway completion has been stable over time, with approximately one-fifth of California public high school graduates having completed at least one CTE pathway prior to graduation, but that this rate of completion varies across racial/ethnic groups with roughly 20% of Latinx, White, and Asian American students completing a CTE pathway in high school, while approximately 15% of Black students did so.

Many of the racial/ethnic subgroups tend to be overrepresented or underrepresented in each of the 15 industry sectors. The following table shows the degree to which Black students are under or over-represented by comparing the proportion of Black students in a graduating cohort and the proportion of Black students in that industry pathway. The greatest disparities are in agriculture, building and construction, manufacturing, and transportation, while Black students are slightly overrepresented in the fashion and marketing pathways.

Industry sector	Black students underrepresented	Black students overrepresented
Arts, media, and entertainment	5%	
Agriculture and natural resources	69%	
Building and construction	46%	
Business and finance	5%	
Engineering and architecture	30%	
Education and child development	28%	
Energy, environment, and utilities	24%	
Fashion & interior design		9%
Health sciences and medical technology	10%	
Hospitality, tourism, and recreation	10%	
Information and communication technology	24%	
Manufacturing and product development	55%	
Marketing, sales, and services		7%
Public service	11%	
Transportation	65%	

Source: PACE, 2023

What is redlining? This bill proposes to give LEAs in historically redlined communities, first priority for CTEIG funding. Following the Great Depression and related home foreclosures, the federal government established new agencies to facilitate access to affordable home mortgages, including the Home Owners' Loan Corporation (HOLC) and Federal Housing Administration (FHA). The HOLC and the FHA directed widespread neighborhood appraisals to determine investment risk in the form of color-coded "residential security" maps, typically ranking neighborhoods from "A" best to "D" hazardous. This practice of ranking neighborhoods as hazardous and credit-unworthy is referred to as "redlining" after the color assigned to "D" grade neighborhoods on these maps. Among other factors, the assessments explicitly considered neighborhood residents' race and ethnicity. Almost no neighborhoods including Black and East Asian or Filipino residents received "A" or "B" ratings. Redlining thereby contributed to segregation, disinvestment, and racial inequities in opportunities for homeownership and wealth accumulation. (Swope, 2022)

More than 200 cities were redlined by the HOLC in the 1930s. In California, maps were created for San Francisco, Oakland-East Bay, Sacramento, Stockton, San Jose, Fresno, Los Angeles, and San Diego areas. (National Geographic)

Legacy of redlining. Although the practice of redlining has been illegal since 1968, with the passage of the federal Fair Housing Act of 1968, multiple studies show that redlining's harmful legacy has left nonwhite communities struggling with air pollution, reproductive health disorders, and fewer urban amenities more than 50 years later. (Lathan, 2023)

The National Equity Atlas data shows that, as of 2020, 14.3% of people of color lived in high-poverty neighborhoods compared to 3.9% of the white population, including 9% of Black and 9% of Latino individuals. These figures have improved since 1990 when 20% of the Black population and 16% of the Latino population lived in high-poverty neighborhoods. (Policy Link and USC Equity Research Institute, 2024)

Data from the University of Richmond's Mapping Inequality Project includes over 200 maps of historically redlined areas suggests that approximately 11 million Americans live in once-redlined areas, based upon the Census Bureau's American Community Survey of 2017. According to this data, 28% of residents in redlined areas are Black, 31% are Latino or Hispanic, and 31% are White. Los Angeles is home to the third-most populous formerly redlined area, including over 620,000 people, but today 70% of this group is Latino or Hispanic, 12% is White, and 6% is Black. The authors go on to say "given the demographic shifts that have occurred since the federal government started using color-coded maps to assess mortgage risk, and the relatively small share of the Black population currently living in these areas, proposals that center on these past tools to redress discrimination probably won't "dismantle the master's house." (Perry, 2024). ***The Committee may wish to consider whether*** using "historically redlined districts" is an appropriate metric to use to address the under-enrollment of Black students in CTE courses.

Priorities for enrollment in CTE courses. Current law requires the CDE and the SBE to consider a number of characteristics of the applicants when determining recipients of CTEIG grant funding, and requires that the greatest weight be given to applicants who:

- Serve unduplicated pupils;

- Serve pupil subgroups with higher than average dropout rates;
- Located in an area of the state with a high unemployment rate;
- Offer an existing high-quality regional-based CTE program as a JPA or COE.

These factors are clearly meant to prioritize students and schools in disadvantaged areas. *The Committee may wish to consider* where there is a need to further stratify the selection of CTEIG grant recipients by specifying positive consideration also be given to applicants in historically redlined communities.

LCFF Equity Multiplier addresses needs of disadvantaged students. SB 141 (Committee on Budget and Fiscal Review) Chapter 194, Statutes of 2023, appropriates \$300 million each fiscal year for the LCFF Equity Multiplier, and requires the SPI to provide funds to eligible LEAs on a per-pupil basis for evidence-based services and supports. Eligible LEAs are those with a prior year nonstability rate greater than 25% and prior year socioeconomically disadvantaged pupil rates of greater than 70%.

“Nonstability rate” is defined as the percentage of students who are either enrolled for less than 245 continuous days between July 1 and June 30 of the prior school year, or exited from a school between July 1 and June 30 of the prior school year due to either truancy, expulsion, or for unknown reasons and without stable subsequent enrollment at another school.

“Socioeconomically disadvantaged pupil rate” is defined as the percentage of students that meet any of the following criteria for the prior school year:

- Neither of the student’s parents has a high school diploma;
- The student is eligible for a free or reduced-price meal;
- The student is a migratory child, a homeless child or youth, foster youth; or
- The student is enrolled in a county juvenile court school.

The CDE is required to annually publish the stability rate data file which is used to determine a schoolsite’s prior year adjusted cumulative enrollment, nonstability rate, and socioeconomically disadvantaged rate for the purposes of calculating funding for the Equity Multiplier for an eligible LEA. According to the CDE, this data file is usually released in December or January. The 2022-23 data file was released in December of 2023.

Recommended Committee Amendments. Staff recommends that the bill be amended as follows:

- 1) Remove the reference to positive consideration being given to historically redlined districts, and add a positive consideration to applicants eligible for Equity Multiplier funding as identified in the annual stability rate data file.
- 2) In order to avoid delaying the release of the annual CTEIG funding, require that the CDE utilize the stability rate data file published in the prior fiscal year for this purpose.

Arguments in support. The California Hawaii State Conference of the NAACP writes, “Unfortunately, not everyone has equal access to high-quality CTE programs. Particularly Black students have frequently been turned away from excellent vocational programs. This will be fixed by AB 3131, which guarantees that school districts located in historically redlined communities will receive priority consideration for CTE funding. The NAACP CA/HI’s principal objective is to ensure the political, educational, social, and economic equality of minority citizens in California and eliminate race prejudice. We applaud the aims made by this bill to achieve its objectives, which consist of ensuring equitable participation of Black students in quality CTE programs.”

Related legislation. AB 1929 (McKinnor) of the 2023-24 Session requires LEAs receiving funding through CTEIG Program, in reporting required data metrics to CDE, to disaggregate those metrics by race. Also requires consortia receiving funding through the K-14 SWP to collect data on CTE outcomes, disaggregated by race.

AB 2273 (Holden) of the 2023-24 Session would establish the California Pilot Paid Internship Program with an appropriation of \$12 million for the CDE to provide grants to LEAs to support paid internships for students in 12th grade, through public-private partnerships.

AB 377 (Muratsuchi) of the 2023-24 Session would have required the consolidation of specified K-12 CTE programs, increased ongoing funding for the CTEIG program administered by the CDE to \$450 million per year; required specified CTE staffing at the state and regional level to support local CTE programs and pathways; and deleted authorization for the K-12 SWP administered by the CCCC. This bill was held by the Senate Appropriations Committee.

AB 2058 (O’Donnell) of the 2021-22 Session was substantially similar to AB 377 (as noted above). This bill was held in the Senate Education Committee.

AB 181 (Committee on Budget) Chapter 52, Statutes of 2022, appropriates \$500 million in one-time Proposition 98 funding for the Golden State Pathways Program to support the development and implementation of college and career educational pathways in critically needed sectors of the economy. Authorizes the CDE to contract with up to 10 LEAs for the provision of technical assistance to LEAs, applicants, and grant recipients.

AB 1923 (Mathis) Chapter 114, Statutes of 2022, requires the SPI to prioritize proposals for new California Partnership Academies based on a school district’s enrollment of socioeconomically disadvantaged students, and for school districts located in a rural or economically disadvantaged area.

AB 130 (Committee on Budget) Chapter 44, Statutes of 2021, provides that, for the 2021–22 fiscal year and each fiscal year thereafter, \$300 million would be made available to the CDE, upon appropriation for the CTEIG program. Also makes adjustments to program provisions relating to eligibility requirements for grant applicants, and for ensuring compliance with program requirements.

AB 3121 (Weber) Chapter 319, Statutes of 2020, establishes an eight-member task force to study the issue of reparations for African Americans; propose ways to educate the California public about its findings; make recommendations on the forms that reparations might take; and submit a report of its findings to the Legislature.

AB 1808 (Committee on Budget) Chapter 32, Statutes of 2018, appropriates in the 2018–19 fiscal year and each fiscal year thereafter, \$150 million to the CTEIG program administered through CDE. Also establishes a K–12 component of the SWP to create, support, or expand high-quality CTE programs at the K–12 level aligned with the workforce development efforts and, commencing with the 2018–19 fiscal year, requires the CCCCO to allocate \$150 million for this program to regional CTE consortia.

AB 1743 (O’Donnell) of the 2017-18 Session would have extended funding for CTEIG Program by providing ongoing funding of \$500 million per year with a 1:1 local match as well as \$12 million per year for regional K-12 CTE coordinators to provide technical assistance and support to local CTE providers. This bill was held in the Senate Education Committee.

AB 104 (Committee on Budget) Chapter 13, Statutes of 2015, establishes the CTEIG, a competitive grant program administered by the CDE, to provide support for career technical education in grades K-12, and provides \$400 million in 2015-16, \$300 million in 2016-17, and \$200 million in 2017-18 for this program.

REGISTERED SUPPORT / OPPOSITION:

Support

Alameda County Office of Education
California Dental Association
California Hawaii State Conference of the NAACP
California African American Chamber of Commerce
Greater Sacramento Urban League
3 individuals

Opposition

None on file

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