

Date of Hearing: March 23, 2022

ASSEMBLY COMMITTEE ON EDUCATION
Patrick O'Donnell, Chair
AB 2088 (Cooper) – As Amended March 3, 2022

SUBJECT: Career technical education: California Pilot Paid Internship Program

SUMMARY: Establishes the California Pilot Paid Internship Program to provide grants to local educational agencies (LEAs) to establish or expand internship programs within their Career Technical Education (CTE) courses or pathways. Specifically, **this bill:**

- 1) Establishes the California Pilot Paid Internship Program (Program) and appropriates \$575 million to the California Department of Education (CDE) to provide grants to LEAs to establish or expand local public-private partnership internship programs.
- 2) Requires the Program to deliver the following core benefits to California:
 - a) Pupils will gain hands-on experience in a career technical education field that will help prepare them for the jobs of tomorrow;
 - b) Pupils will earn wages to help support themselves and their families while gaining valuable real-world personal finance experiences; and
 - c) Pupils will spend their wages in their communities, generating additional spending to support local businesses, economic recovery, and growth.
- 3) Requires the CDE to administer the Program by providing grant funds and technical expertise to LEA CTE programs.
- 4) Requires the CDE to provide grant funds to LEAs to support up to 40,000 grade 12 pupils per year, participating in eight-week internship programs that provide up to 40 hours of work per week during the summer preceding their 12th grade year.
- 5) Requires the CDE to develop an application to choose grant recipients which considers existing CTE pathway programs and existing public-private partnerships that provide pupils internships in their communities.
- 6) Requires LEAs, as a condition of receiving funds for the Program, to comply with all of the following:
 - a) Use grant funds and employer matching funds to provide participating pupils with an hourly wage of \$14 per hour with grant proceeds to fund the \$7 per hour contribution to pupils' wages from the LEA and employer matching funds for the remaining \$7 per hour;
 - b) Report pupil internship data to the Superintendent of Public Instruction (SPI) by December 31st of each fiscal year, including all of the following:
 - i) The number of pupil internships;

- ii) The total hours worked by pupils; and
 - iii) The businesses or industries in which pupils were employed.
- 7) Requires any public-private partnership internship program funded to include all of the following components:
- a) A career-related focus that exposes Grade 12 pupils to the world of work;
 - b) Partnerships with local businesses, industries, nonprofit organizations, or other organizations in the community;
 - c) Opportunities for supervised and specific practice for a future career; and
 - d) Intern placement occurring during the summer between 11th and 12th grade.
- 8) Prohibits the following from qualifying as public-private partnership internship programs eligible for funding under this Program: job shadowing, one-time events, and jobs that pupils secure on their own.
- 9) Requires that funds awarded under the Program be available for expenditure or encumbrance from the 2023-24 through the 2025-26 fiscal years.
- 10) Requires that employers providing matching funds for pupil wages through this Program be eligible for an unspecified amount of a tax credit for each pupil intern.
- 11) Defines “local educational agency” for purposes of the Program as a school district, county office of education, or charter school.

EXISTING LAW:

- 1) Authorizes work-based learning opportunities for pupils to be delivered by CTE programs which may include work experience education, community classrooms, cooperative CTE programs, and job shadowing experience. (Education Code (EC) 51760.1)
- 2) Authorizes the Career Technical Education Incentive Grant (CTEIG) Program as a state education, economic, and workforce development initiative with the goal of providing pupils in kindergarten through 12th grade with the knowledge and skills necessary to transition to employment and postsecondary education (EC 53070).
 - a) Identifies the purpose of the competitive CTEIG program as the encouragement and maintenance of the delivery of CTE programs by school districts and charter schools.
 - b) 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 the 2018-19 to 2020-21, and \$300 million per year beginning in the 2021-22 fiscal year and every year thereafter.
 - c) Requires that applicants demonstrate the ability to provide local matching funds as follows:

- \$1.00 for every \$1 received in 2015-16;
 - \$1.50 for every \$1 received in 2016-17;
 - \$2.00 for every \$1 received in 2017-18, and each fiscal year thereafter; and
 - As of July 1, 2021, requires the proportional match to be encumbered in the fiscal year for which the applicant is applying for a grant under the program.
- d) Requires applicants for the CTEIG Program to demonstrate that their CTE programs meet all of the following minimum eligibility standards:
- i) High quality curriculum and instruction aligned with the California CTE Model Standards, including a sequence of courses that enable pupils to transition to postsecondary education, attain employment, or industry certification upon graduation from high school;
 - ii) Career exploration, guidance, and a continuum of work-based learning opportunities aligned with academic coursework, which may include paid internships;
 - iii) Pupil support services, including counseling and leadership development to address pupils' social, emotional, career, and academic needs;
 - iv) System alignment, coherence, and articulation with postsecondary institutions, allowing for dual enrollment opportunities;
 - v) Ongoing and meaningful partnerships with industry and labor;
 - vi) Opportunities for pupils to participate in after-school, extended day, and out-of-school internships, competitions, leadership development opportunities, and other work-based learning opportunities;
 - vii) Connection to regional or local labor market demands and a focus on current or emerging high-skill, high-wage, or high-demand occupations and is informed by the regional plan of the local Strong Workforce Program consortium;
 - viii) Pathway to an industry-recognized credential or certificate, or appropriate postsecondary education or training, employment, or a postsecondary degree;
 - ix) Staffing by skilled teachers or faculty and the provision of professional development opportunities for any teachers or faculty members supporting pupils in those programs;
 - x) Provides opportunities for pupils with exceptional needs to participate in all programs; and
 - xi) Annual data reporting to allow for an evaluation of the program.

- e) Requires the CDE to annually submit the list of recommended new and renewal grant recipients to the State Board of Education (SBE) for review and approval prior to making annual grant awards. Requires the CDE, at least 30 days before submitting the list of recommended new and renewal grant recipients to the SBE, to make the information public. 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 pupils or who serve pupil 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 or county office of education.
- 3) Establishes the California Partnership Academies (CPA) program as a state-school-private sector partnership to provide combined academic and occupational training to eligible at-risk students in grades 10-12, inclusive.
 - a. Requires districts and participating businesses to each provide 100% matching funds for all state funds received; provides that the match may be in the form of direct and in-kind support; and requires the district to establish an advisory committee consisting of specified individuals and representatives; and
 - b. Establishes the Green Technology Partnership Academies and the Goods Movement Partnership Academies, commencing with the 2009-10 school year, and requires, when funds become available for additional partnership academies, the SPI to issue grants for the establishment of such partnership academies in each of the nine economic regions established by the state.
- 4) Authorizes the K-12 component of the Strong Workforce Program (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, \$150 million annually by the California Community College Chancellor's Office (CCCCO) to local consortia. (EC 88827)
- 5) Federal law, the Strengthening Career and Technical Education for the 21st Century Act, reauthorizes the Carl D. Perkins Career and Technical Education Act of 2006 (Perkins) 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, "AB 2088 creates the California Pilot Paid Internship Program to fund local public-private partnership paid internship programs for 12th grade CTE

students. Providing students paid internship programs will help prepare and transition them to post-secondary educational opportunities and careers.”

Defining Career Technical Education. 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 58 pathways that identify the knowledge and skills students need. Partnerships are usually developed between high schools, businesses, and postsecondary schools, providing pathways to employment and associates, Bachelor’s, and advanced degrees. 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.”

Improved outcomes for CTE students. A wide body of research indicates that involvement in CTE coursework provides improved academic outcomes and provides 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;
- Students who focus their CTE coursework are more likely to graduate high school by 21% compared to otherwise similar students;
- 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. CDE notes that over 90% of districts report that CTE is now embedded in their LCAP.

Current K-12 CTE programs. There are a number of initiatives supporting K-12 CTE programs supported by state and federal funds, including the following:

- 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 pupils 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.
- 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.
- 3) **The California Partnership Academies (CPA)**. A CPA is a small learning community within a larger high school that contains college-preparatory curriculum organized around a career-related theme. Under the CPA model, a team of teachers work with the same group of students over several years, aligning instruction across disciplines, while employers provide internships and other opportunities for students to learn outside the classroom. Each CPA frames its curriculum around one of the 15 industry fields established for CTE by the CDE. In order to receive the full amount of state funding, an academy must show that at least 50% of the students in each incoming class of CPA sophomores meet three of the following six "at-risk" criteria: 1) having a poor attendance record; 2) being significantly behind in credits; 3) demonstrating low motivation for the regular school program; 4) being economically disadvantaged; 5) having low state test scores; or 6) having a low grade point average.

Paid internships as a tool to promote equity. A study of a project in Detroit to stimulate high school students' interest in STEM career pathways found that the offering of the paid internship to students who came from disadvantaged families not only helped the students to nurture their interests in STEM career and education, but also won the support from students' parents and communities. The project provided funding to City of Detroit municipal departments to hire participating students as interns; in turn students contributed to real-world infrastructure problems and solutions (Xie, 2014).

Survey data from postsecondary institutions that mandate internships found that 64% of students who did not take internships had in fact wanted to, but could not due to intersecting obstacles that included the need to work at a full-time or part-time job, heavy course loads, and a lack of opportunities in their disciplines. First-generation students were more likely to report needing to work. The authors concluded that colleges and universities must work to ensure that internships do not reproduce privilege and exacerbate inequality (Hora, 2019).

A study of the value of paid internships in college notes, “a post-secondary education has become almost essential for getting a decent job and entering the middle class, and increasingly, internships are a critical part of the college experience. Yet financial constraints prevent many low- and moderate-income young people from seeking internships because such experiences are frequently unpaid. In a tight labor market, college graduates who have gained experience through internships have an edge on the job market. But the inequities go far beyond internships—a college degree itself is increasingly financially out of reach for young people from modest economic backgrounds.” (Edwards, 2010)

Recommended Committee amendments. Committee staff recommends that the bill be amended as follows:

- 1) Specify that funding for paying student salaries would be non-Proposition 98;
- 2) Require an evaluation of the pilot;
- 3) Remove reference to tax credit;
- 4) One technical amendment.

Arguments in support. The State Superintendent of Public Instruction (SPI), the sponsor of the bill notes: “CTE provides an important pathway to success for high school students and offers students opportunities to personalize their education based on their interests and potential career goals. While the benefits to students are multiple, CTE programs also yield positive results for employers. Specifically, CTE internships provide businesses with talented and engaged high school youth who can bring fresh energy and curiosity to the workplace. Unfortunately, current internship opportunities are often unpaid and, therefore, a barrier to many students who are already disproportionately affected, namely low income students, students of color, and English learners. Limiting internship opportunities to those students who have the resources and privilege to work without pay is doing a disservice to our students and to our society.”

AB 2088 will provide grants to LEAs that make or have created local public-private partnership internship programs. These programs will provide California students with hands-on experience in CTE fields and the wages to support themselves, their families, and their communities. As SPI, I place equity and opportunity for all our students at the center of our agenda.”

Related legislation. AB 2058 (O’Donnell and Quirk Silva) of this Session requires consolidation of specified K-12 CTE programs; increases ongoing funding for the CTEIG, administered by the CDE to \$450 million per year; requires specified CTE staffing at the state and regional level to support local CTE programs and pathways; and deletes authorization for the K-12 SWP administered by the CCCCCO.

AB 1923 (Mathis) of this Session would establish the Science, Technology, Engineering, and Mathematics (STEM) Partnership Academies and requires the CDE, with funding appropriated in the annual Budget Act, to establish 100 partnership academies dedicated to training young people in STEM occupations.

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 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 CCCC 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 the 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 CTE 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**

State Superintendent of Public Instruction Tony Thurmond (Sponsor)

Opposition

None on file

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