



FACT SHEET

AB 377 (Muratsuchi & McCarty)
Principal Co-authors: Assemblymembers Garcia,
Hoover, Lee, and Senator Dodd

K-12 Career Technical Education Funding

SUMMARY

AB 377 allows students to gain college and career readiness skills through improved access to high quality career technical education (CTE) by increasing funding for the Career Technical Education Incentive Grant (CTEIG) Program and consolidating the existing K-12 Strong Workforce Program (SWP). This bill would provide ongoing funding of \$450 million per year for CTEIG, and additional funding for regional CTE coordinators to provide effective technical assistance and support to local CTE programs.

BACKGROUND

CTE prepares students for the world of work by introducing them to key workplace skills. Participation in CTE classes motivates students to attend school more frequently and be more engaged, which improves their overall academic outcomes.

CTE programs in California have been organized into 15 industry sectors, covering 58 pathways. Partnerships are developed between high schools, businesses, and postsecondary schools, providing pathways to employment as well as associate, Bachelor, and advanced degrees. Local educational agencies (LEAs) apply for funding through a variety of grant programs to establish and maintain CTE courses and pathways.

The CTEIG program is funded at \$300 million annually and is overseen by the California Department of Education (CDE). The K-12 component of the SWP is administered through the Chancellor of the Community Colleges with \$150 million in annual funding. The Chancellor's Office also receives \$12 million to facilitate the provision of local technical assistance for both CTE programs.

PROBLEM

The bifurcation of the K-12 CTE funding into two separate programs under the jurisdiction of CDE and the Chancellor's office creates unnecessary administrative burdens at the state level and the local level. LEAs are currently required to apply to two or more separate programs for funding of CTE programs, each with unique eligibility and reporting requirements.

LEAs report that, since the regional CTE technical assistance was shifted to the Chancellor's Office, they do not receive sufficient or effective support in the development and growth of high quality K-12 career pathways.

A recent report by the State Auditor noted that shortcomings in the K-12 SWP limit its effectiveness in supporting grant applicants. The audit found that the Chancellor's Office has not provided sufficient guidance to applicants and has not disclosed award selection criteria to applicants. In addition, the audit notes that because selection committee members may work for the LEAs that apply for grants, there is an inherent risk that a conflict of interest may influence grant decisions. Finally, the report notes that the \$12 million annually for workforce pathway coordinators and other staff who support grant applicants has not been equitably distributed, thereby limiting access to technical assistance by many LEAs.

The CTEIG program is not without challenges, including the complexity of the formula to allocate funding, the difficulty for LEAs in meeting the 2:1 match requirement, the challenge of securing funding for CTE programs at alternative schools, and the need for additional funding for CTE exploration programs at middle schools.

SOLUTION

AB 377 consolidates and streamlines the key K-12 CTE programs by shifting the K-12 SWP ongoing funding into the CTEIG program, beginning with the 2023-24 fiscal year. This will reduce the number of applications and reports that LEAs will have to produce, and will ensure that the selection criteria are consistent throughout the state.

AB 377 provides a long term, stable funding stream for high quality CTE programs in California's K-12 schools at \$450 million per year for CTEIG grants, subject to a budget action to reappropriate funds. The bill also reallocates funding for technical assistance at both the state and regional levels, under the direction of CDE.

AB 377 also addresses the need for reforms within the CTEIG program by:

- Identifying ways to support and stabilize funding for high-quality regional occupational programs or centers that are effectively leveraging economies of scale.
- Reducing the match requirement to 1:1 for regional CTE programs and 1:1.5 for single LEAs.
- Requiring the CDE to establish a stakeholder workgroup to provide recommendations for improvements to the CTEIG program, including:
 - Simplifying the allocation formula;
 - Supporting CTE programs at alternative schools and middle schools; and
 - Providing greater stability of funding by streamlining the renewal process or establishing multi-year grant awards.
- Ensuring an adequate level of professional staffing within the CDE, and through a network of COEs, to provide support and technical assistance to LEAs the CTEIG program.

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SUPPORT

OPPOSITION
