

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 15, 2010
POSITION: Oppose
SPONSOR: Los Angeles Area Chamber of Commerce

BILL NUMBER: AB 2211
AUTHOR: F. Fuentes
RELATED BILLS: AB 332 (Fuentes, 2009) and AB 2078 (Fuentes, 2008)

BILL SUMMARY: Work-Based Learning

This bill, an urgency statute, would: 1) expand the definition of work experience education to include other forms of work-based learning; 2) authorize the governing board of a school district maintaining a high school to provide work-based learning opportunities to pupils through existing programs, including, but not limited to, work experience, cooperative vocational education, regional occupational programs, and community classrooms; and 3) require the Superintendent and specified stakeholders to develop principles and guidelines for the establishment of work-based learning programs. The bill also makes a number of legislative findings and declarations.

FISCAL SUMMARY

This bill would require significant involvement by the State Department of Education (SDE) to meet with stakeholders and develop the principles and guidelines for work-based learning. The SDE estimates that this bill would cost between \$25,000 and \$200,000 for meetings, staff time and publishing, and the possible development of regulations.

To the extent this bill would result in new programs at the local level, new Proposition 98 General Fund cost pressures could result to address higher costs for business coordination and teacher time to coordinate these work-based learning programs. Such cost pressure is indeterminable and would depend on the number of new programs developed. Given that this bill would provide authority for schools to create new programs that do not meet any reasonable standards for revenue limit funding, it may drive significant new Proposition 98 General Fund costs in the tens to hundreds of millions of dollars.

COMMENTS

The Department of Finance (Finance) opposes this bill for the following reasons:

- This bill is similar to AB 332 (Fuentes, 2009) which was vetoed in 2009 because "it lacks sufficient protections to ensure that students are not solely enrolled in job opportunities that are not combined with sufficient academic coursework." While this bill attempts to link the work-based learning opportunity with academic learning objectives, it still fails to ensure that all students in these programs are provided the same protections as students in work experience programs and creates the opportunity for less rigorous programs than are currently offered.
Due to the lack of accountability in this bill, Finance is concerned that encouraging work-place learning could result in tens to hundreds of millions of dollars in additional Proposition 98 General Fund to districts duplicating or augmenting actual student enrollment. For example, absent reasonable accountability, a school district could locate drop-outs working in various jobs and offer to provide a program that essentially continues their employment coupled with minimal independent study courses, that would allow the district to collect revenue limit funding with no connection

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between the employment and the course of study and the course of study may also be devoid of academic rigor.

- According to the SDE, this bill would authorize school districts to create new career technical education (CTE) type programs that would not be subject to current regulations that ensure a connection to academic learning, qualified career instructors, meaningful skills development and safety for students. Because this bill fails to define any operational or administrative structure to govern the operations of these new programs, we believe these concerns have merit. Most notably, it is unclear who will teach students in these new programs, what faculty qualifications will be, how the programs will be administered, what guidelines and accountability requirements will govern new programs that may be authorized by this measure, as well as what requirements will need to be met in order to earn funding to operate these programs.
- Given the lack of clarity noted directly above, this bill could generate additional General Fund costs of \$25,000 to \$200,000 for the SDE to adopt rules and regulations necessary to govern the implementation and administration of these programs, as well as provide technical assistance to local districts electing to implement a new program. Given the current fiscal environment, it is unlikely that additional resources would be provided.
- This bill may be largely unnecessary. It is our understanding that there is nothing that would prevent the offering of work-based instruction through existing regulations and, further, it is our understanding that many work experience and CTE programs already incorporate a variety of the programmatic features defining the work-based learning programs specified in this bill.

## **ANALYSIS**

### A. Programmatic Analysis

Current law authorizes the governing board of any school district maintaining a high school to offer work experience programs. The intent of these programs is to provide students with the skills, attitudes and understanding necessary for successful employment. Work experience programs may offer paid or unpaid part-time employment opportunities that provide students with general to specific occupational skills and training designed to complement their school-based curriculum. These programs are funded through revenue limits to local districts, as well as through career technical education categorical programs such as Regional Occupational Centers and Programs (ROC/P) or Partnership Academies. Offering work experience education programs under current law is subject to the following conditions:

- The student participating in a work experience program must be at least 16 at the time of enrollment.
- The principal of the school in which the student is enrolled must certify that the student is in immediate need of work experience in order to pursue employment opportunities.
- The principal must certify that there is a probability that the student will no longer be enrolled as a full-time student in school without the opportunity to participate in a work experience program.
- Any student with special needs participating in a work experience program must have the type of training they will receive in that program documented in the individualized education program.
- Any student participating in a work experience program must receive the equivalent of one instructional period per week of classroom instruction or counseling by a certificated staff.
- No student may receive more than 40 semester credits for duration of their enrollment in a work experience program, or no more than 10 credits in any one semester.

According to the author's office, this bill would define work-based learning as an educational approach or instructional methodology that uses the workplace or real work to provide pupils with the knowledge and skills that will help them connect school experiences to real life work activities and future career opportunities. The bill would allow work-based learning to take many forms, including, but not limited to job shadowing, internships, work experience, community classrooms, real or virtual apprenticeships, and school-based enterprises.

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Specifically, this bill would 1) expand the definition of work experience education to include other forms of work-based learning; 2) authorize the governing board of a district maintaining a high school to provide work-based learning opportunities to pupils through existing programs, including, but not limited to, work experience, cooperative vocational education, regional occupational programs, and community classrooms; and 3) require the Superintendent, in conjunction with teachers, chamber organizations, industry representatives, research centers, parents, school administrators and representatives of regional occupational centers to develop principles and guidelines for the establishment of work-based learning programs with consideration relative to the most current academic and career technical education standards. The bill also makes a number of legislative findings and declarations concerning the importance of work-based learning opportunities and encourages school districts to: 1) provide information to local transportation agencies about existing schools offering work-based learning programs and participating industry worksites, and 2) work with local workforce investment board youth councils and workforce investment boards to maximize the use of available resources.

The Administration vetoed similar bills, AB 332 (Fuentes, 2009) and AB 2078 (Fuentes, 2008). Concerns with sufficient student protections and the lack of assurances that the job opportunities would be combined with sufficient academic coursework were cited. This bill would specify that the guidance to schools ensure that the objective of the student's workplace learning opportunity is linked directly to academic learning, however, according to the SDE, the school districts would not be required to ensure that students are given the same statutory and regulatory safeguards as students in work experience programs.

While this bill defines what a work-based learning program is and provides a template of desirable features envisioned for these programs, it is our understanding that many existing work experience education and CTE programs supported through both general apportionments and CTE categorical programs already incorporate many of the elements specified in this bill. Beyond creating a definition for work-based learning, the bill fails to define an operational and administrative structure to govern the operations of these new programs. Most notably, it is unclear who will teach students in these new programs, what faculty qualifications will be, how the programs will be administered, what guidelines and accountability requirements will govern these programs, as well as what requirements will need to be met in order to receive funding to operate these programs.

#### B. Fiscal Analysis

Given the lack of structure and accountability for these new programs discussed in the programmatic analysis above, we believe that SDE would need to develop rules and regulations governing the operations of these programs by adapting current regulations, possibly establish an approval process for these programs, and provide technical assistance to local districts choosing to implement new work-based learning programs. While the SDE estimates these activities would require between \$25,000 and \$200,000 to provide underlying program support, Finance believes regulation costs should be minimal and technical assistance staffing would depend on the extent of district interest which is highly speculative.

To the extent this bill drives new work-based learning programs to be initiated by school districts operating under regular revenue limit funding, this bill could drive pressure for additional funding for added costs. Examples of new costs that would be involved include teacher time to coordinate with businesses participating in the various off-campus activities and monitoring students in those settings. The magnitude of these costs is indeterminable because it is difficult to predict how many districts would begin to offer these new programs, and what the enrollment in these programs would be. Programs receiving specialized revenue limit and incentives such as Partnership Academies and ROC/P already provide enhanced funding for such costs; however, demand for such programs may increase thereby driving additional cost pressure for expansion.

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To the extent this bill provides authority for schools to create new programs that do not meet any reasonable standards for revenue limit funding, it may drive significant new Proposition 98 General Fund costs potentially in the tens to hundreds of millions of dollars.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2010-2011	FC	2011-2012	FC	2012-2013	
6110/Dept of Educ	SO	No	-----	See Fiscal Summary	-----	-----	-----	-----	0001
6110/Dept of Educ	LA	Yes	-----	See Fiscal Summary	-----	-----	-----	-----	0001