

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: March 25, 2009
POSITION: Neutral
SPONSOR: Superintendent of Public Instruction

BILL NUMBER: SB 123
AUTHOR: C. Liu
RELATED BILLS: AB 1230 (2008)

BILL SUMMARY: Career Resource Network Program

Effective July 1, 2009, this bill would eliminate the California Career Resource Network (CalCRN) as a stand alone agency within state government, and instead place the functions of this organization within the Department of Education (SDE) as a program. Additionally, this bill would establish the State Agency Partners Committee and its members in Education Code. This bill becomes operative on July 1, 2010.

FISCAL SUMMARY

This bill would not result in any additional costs to the state. The SDE would retain the two positions and approximately \$460,000 in combined support funding currently devoted to this organization to maintain the ongoing functions as a program within the SDE. The current funding is composed of General Fund and matching Perkins federal funds from the SDE and is currently reflected as reimbursements in the CalCRN's budget bill Item 6330-001-0001)

COMMENTS

Finance recommends a neutral position on this bill for the following reasons:

- This bill will ensure the continued development and distribution of career planning resources and materials to counselors and other key points of contact for students in both middle and high school settings. Maintaining these services is a critical factor in encouraging students to pursue career education pathways and is fully consistent with the Governor's Career Technical Education Initiative.
This bill is fiscally neutral.

Finance notes that this bill is virtually identical to AB 1230, which passed both houses during the 2007-08 legislative session. However, the bill was vetoed due to "the historic delay in passing the 2008-09 State Budget" where in his veto message the Governor stated that he was "only signing bills that [were] of the highest priority for California."

The existing CalCRN is California's primary state agency resource for career guidance and planning information to assist youth and adult career seekers. The CalCRN's primary functions are to develop relevant career exploration tools and materials, publish timely information on existing job labor markets and career opportunities, and disseminate these materials to middle and high school counselors throughout the state. Currently housed within the SDE, the CalCRN also works through interagency partners to assist state agencies in tailoring career-related educational resources and training to improve coordination and communication among state-level administrators and planners.

While this Administration sponsored legislation in the 2005-06 legislative session (Chapter 208, Statutes of 2005, SB 665 -Migden) to stabilize funding and refocus the mission of the CalCRN, the subsequent three years have presented a number of administrative challenges for an agency with a staff of two personnel. Given the limited size of this organization, the now retired executive director and her only support staff were spending a growing portion of their time on basic operational issues, which diverted time and attention from

Analyst/Principal Date Program Budget Manager Date
(0333) E. Hanson Jeannie Oropeza

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

AUTHOR**AMENDMENT DATE****BILL NUMBER**

C. Liu

March 25, 2009

SB 123

their primary functions; the development and distribution of career planning materials. With the retirement of the executive director, SDE believes that this is an opportune time to transition the CalCRN's functions into the SDE's base operations. We note that the CalCRN currently rents space at SDE headquarters, and maintains a close working relationship with SDE career technical education staff. Those existing staff, in turn, have been using their expertise to fill the role of the retired executive director and will continue to do so into the foreseeable future. Finally, we note that while formal operations will be transferred to the SDE under this bill, the existing coordinating committee structure and relationships with related agencies and personnel will be maintained and will be established in Education Code as the State Agency Partners Committee.

Code/Department Agency or Revenue Type	SO		(Fiscal Impact by Fiscal Year)						Fund Code	
	LA	CO	(Dollars in Thousands)							
	RV	PROP	98	FC	2008-2009	FC	2009-2010	FC	2010-2011	
6330/CareerResNet	SO	No			--		--	M	-\$461	0995

<u>Fund Code</u>	<u>Title</u>
0995	Reimbursements