

Senate Budget and Fiscal Review—Scott Wiener, Chair

JOINT HEARING

Agenda

Senate Budget Subcommittee No. 1 on Education and Senate Subcommittee No. 4 on State Administration and General Government

- Senator Christopher Cabaldon, Chair
- Senator John Laird, Chair
- Senator Rosilicie Ochoa Bogh
- Senator Roger W. Niello
- Senator Sasha Renée Pérez
- Senator Lola Smallwood-Cuevas



Thursday, March 27, 2025
9 a.m.
State Capitol - Room 113

Consultants: Diego Emilio J. Lopez and Jessica Uzarski

0511 Government Operations Agency 2
 Item 1: California Education Interagency Council and Associated Trailer Bill Language2

Public Comment

Please Note: Public comment will be taken following each Departments Issues, and again after all Issues have been heard.

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ITEM FOR DISCUSSION

0511 GOVERNMENT OPERATIONS AGENCY

Item 1: California Education Interagency Council and Associated Trailer Bill Language

Request. The Government Operations Agency (GovOps) requests \$5.0 million General Fund in 2025-26 and ongoing to establish the Office of the California Education Interagency Council to bring together TK- 12 education, higher education, and state economic and workforce development agencies to improve planning and coordination across state government.

Background. In August 2023, Governor Gavin Newsom launched the development of California’s Master Plan for Career Education with the stated objective of promoting equitable access to high-paying jobs by addressing structural barriers and strengthening education and training pathways. Input was provided in the form of written comments from the public, interviews with key stakeholders including members of the Legislature and legislative staff, and finally eight design sessions were held in various regions across the state. The Administration that’s that regional coordination was a consistent recommendation, and that this proposal is in response to such feedback.

The Administration intends that the Office of the California Education Interagency Council will; (i) work with interested stakeholders to develop a detailed strategic plan that will guide the work of the Council and the staff, (ii) develop engaging materials and reports, and (iii) analyze statewide and regional progress toward educational goals, identifying gaps in higher education admission, enrollment, success rates, and job placement across various demographic groups. The Administration intends for the Government Operations Agency, specifically, to serve as a neutral entity within California’s collaborative framework of labor and workforce development. The request states that California currently lacks a neutral space for major stakeholders to hold transparent discussions on benefits to students and employees. The council, therefore, is intended to fill that role and allow the entities named in the request (including the California Department of Education, the California Community Colleges, the California State University, the University of California, the Labor and Workforce Development Agency).

The Council will deliver annual findings to the Legislature and Governor, providing strategic recommendations on inter-segmental, cross-sector, and interagency initiatives to enhance student support, financial aid, transfer pathways, adult education, graduation rates, affordability, and workforce alignment.

The Administration also states that the request is justified by; (i) a need to proactively address changes to the economy and the workforce, (ii) align efforts across TK-12 education, higher education, employers, the statewide workforce system, and investment, (iii) ensure regional workforce needs are being met, (iv) provide a forum for discussion of graduation and admission requirements in education.

To achieve the objectives stated in the request, the Administration is requesting to establish 16 positions related to the council, including an Executive Director, an Assistant Executive Director, three Administrative Assistants, two Data Specialists, one Contract/Admin/Fiscal Support Specialist, one Attorney, six Professional Staff, and one Communications Specialist. The positions will be phased in through the 2025-26 fiscal year with the goal of being fully staffed by the end of the 2026 calendar year.

In addition to the staffing needs described above, portions of the requested funding will be used to acquire additional space, contract within the state for various professional services (including HR, budgeting, accounting, and IT support).

The Administration has provided the below table laying out the expected timeline of expenditures.

	2025-26	2026-27
Salaries and Wages	\$2,095,000	\$3,490,000
Contracted Fiscal/HR	\$200,000	\$200,000
Rent/Tenant Improvements	\$1,270,000	\$200,000
IT Support	\$250,000	\$200,000
Council Meeting Costs	\$50,000	\$50,000
Other Internal/External Contracts and Expenses	\$1,135,000	\$860,000
Totals:	\$5,000,000	\$5,000,000

The Legislative Analyst's Office (LAO), in their review of the proposal, has stated that outcomes from the proposed council are difficult to predict. In particular, it is unclear whether a lack of existing coordination is the result of the lack of a venue for such coordination or due to differences in goals between the various workforce and education agencies. Furthermore, there is no built in mechanism to judge the success of the proposed council beyond the delivery of statutorily-required reports. The LAO has suggested that, if the Legislature is inclined to approve this request, that funding be limited to a trial period of several years, as opposed to approving indefinite ongoing funding.

This request also includes Trailer Bill language related to implementation.

Staff Recommendation. Hold open.