

## **Economic Development in California Community Colleges 2002**

California Education Code Part 52, Section 88500 and following.

### **CHAPTER 1. MISSION STATEMENT**

88500. The mission of the economic development program, subject to approval and amendment by the Board of Governors of the California Community Colleges, shall include, but not be limited to, all of the following:

- (a) To advance California's economic growth and global competitiveness through quality education and services focusing on continuous workforce improvement, technology deployment, and business development, consistent with the current needs of the state's regional economies.
- (b) To maximize the resources of the California Community Colleges to fulfill its role as the primary provider in fulfilling the vocational education and training needs of California business and industry.
- (c) To collaborate with other state and local agencies, including partners under the federal Workforce Investment Act of 1998 (Public Law 105-220), and the Trade and Commerce Agency, to deliver services that meet statewide and regional workforce, business development, technology transfer, and trade needs that attract, retain, and expand businesses.

### **STRATEGIC PRIORITY AREAS**

- (d) In consultation with the Economic Strategy Panel of the Trade and Commerce Agency, local economic development agencies, the private sector, labor and community groups, to develop innovative solutions, as needed, in identified strategic priority areas, including but not limited to, advanced transportation technologies, biotechnologies, small business, applied competitive technologies, including computer integrated manufacturing, production, and continuous quality improvement, business and workforce performance, environmental technologies, health care delivery, information technology, multimedia/entertainment, international trade, e-commerce and e-trade, and workplace literacy.
- (e) To identify, acquire, and leverage community college and other vocational training resources when possible, to support local, regional, and statewide economic development.
- (f) To create effective logistical, technical, and marketing infrastructure support for economic development activities within the California Community Colleges.
- (g) To optimize access to community colleges' economic development services.
- (h) To develop strategic public and private sector partnerships.
- (i) To assist communities experiencing military base downsizing and closures.  
"California Education Code, Part 52, Section 88500 et seq.

### **DESCRIPTION OF ADVISORY COMMITTEE AND ITS RESPONSIBILITIES**

## CHAPTER 2. GENERAL PROVISIONS

88510. (a) The Board of Governors of the California Community Colleges and the Chancellor of the California Community Colleges may award grants to districts for leadership in accomplishing the mission and goals of the economic development program, as described in Section 88500.

(b) (1) The board of governors shall establish an advisory committee for the California Community Colleges Economic Development Program and determine the membership. The advisory committee shall guide overall program development, recommend resource development and deployment, and recommend strategies for implementation and coordination of regional business resources. Based on information developed by the Chancellor of the California Community Colleges pursuant to subdivision (d) and forwarded to the advisory committee, the advisory committee shall make recommendations to the chancellor and the board of governors on whether existing initiatives should continue to be funded at their existing levels, their funding increased or decreased, or their funding terminated.

(2) The membership of the advisory committee shall include representatives from labor, business, appropriate state agencies, including the Trade and Commerce Agency, a faculty representative, a classified employee representative, and one community college chief executive officer representative from each of the 10 California Community Colleges Economic Development Program regions.

### CRITERIA FOR ALLOCATING FUNDS

(c) The decision criteria for allocating funds to colleges shall take into account all of the following:

(1) Regional needs of businesses.

(2) Emerging industries of a region, as identified by regional business resource, assistance, and innovation network infrastructure plans.

(3) For service delivery projects, the cost of organizing, administering, and delivering proposed services relative to the number of clients to be served and the expected benefits. For capacity building projects, showing how the capacity of the college is improved in order to deliver services to employers and students.

### NEW METHODOLOGY

(4) A methodology, which shall be developed for allocating funds that is similar to the industry-driven regional collaborative funds or the job development incentive training funds, for colleges in those regions and economically distressed urban and rural areas that have not been successful in the competitive bid process in the past and have scarce resources to apply for economic development projects.

### CHANCELLOR'S OFFICE RESPONSIBILITIES

(d) The chancellor's office shall provide systemwide oversight and evaluation of the economic development program.

(e) The chancellor may establish program requirements and performance standards in the administration of the economic development program and distribute funds as appropriate to implement the program.

(f) The chancellor may provide technical assistance to community colleges for the purpose of improving the competitiveness of their proposals.

88515. This part shall be implemented only during those fiscal years for which funds are

appropriated for the purposes of this part in the annual Budget Act.

### CHAPTER 3. DEFINITIONS

88520. The following definitions govern the construction of this part:

- (a) "Business Resource Assistance and Innovation Network" means the network of projects and programs that comprise the Community Colleges Economic Development Program.
- (b) "California Community Colleges Economic Development Program," "economic development program," and "EDNet Program" mean the program.
- (c) "Center" means a comprehensive program of services offered by one or more community colleges to an economic region of the state in accordance with criteria established by the board of governors for designation as an economic development program center. Center services shall respond to the statewide strategic priority pursuant to the mission of the community colleges economic development programs and be consistent with the programmatic priorities, targeted industries, identified economic development, vocational education, and continuous workforce training needs of a region as identified by regional business resource, assistance, and innovation network infrastructure plans.
- (d) "Industry cluster" means a geographic concentration or emerging concentration of interdependent industries with direct service, supplier, and research relationships, or independent industries that share common resources and sell a significant portion of their goods or services outside of the region.
- (e) "Industry-driven regional collaborative" means a regional public, private, or other community organizational structure that jointly defines priorities, delivers services across programs, sectors, and in response to, or driven by, industry needs.
- (f) "Job development incentive training" means programs that provide incentives to employers to create entry-level positions in their businesses or through suppliers or prime customers for welfare recipients, the working poor, or both.
- (g) "Matching resources" means any combination of public or private resources, either cash or in-kind, derived from sources other than the economic development program funds appropriated by the annual Budget Act, that are determined to be necessary for the success of the project to which they are applied. The criteria for in-kind resources shall be developed by the board of governors with advice by the chancellor and the California Community Colleges Economic Development Program Executive Committee, and shall be consistent with generally accepted accounting practices for state and federal matching requirements. The ratio of matching resources to economic development program funding shall be determined by the board of governors.
- (h) "Region" means a geographic area of the state defined by economic and labor market factors containing at least one industry cluster and the cities, counties, or community college districts, or all of them, in the industry cluster's geographic area. For the purposes of this chapter, "California Community College regions" shall be designated by the board of governors based on factors, including, but not limited to, all of the following:
  - (1) Regional economic development and training needs of business and industry.
  - (2) Regional collaboration, as appropriate, among community colleges and districts, and existing economic development, continuous workforce improvement, technology deployment, and business development.
  - (3) Other state economic development definitions of regions.

### CHAPTER 4. CALIFORNIA COMMUNITY COLLEGES BUSINESS RESOURCE ASSISTANCE AND INNOVATION NETWORK TRUST FUND

88525. The California Community Colleges Business Resource Assistance and Innovation

Network Trust Fund is hereby established in the State Treasury as a special fund administered by the board of governors. The board of governors may solicit direct contributions for deposit in the fund from various nonstate public and private sources for the purpose of funding the California Community Colleges Economic Development Program. Upon appropriation by the Legislature, the fund may be expended for purposes of administering contracts for providing services, through the program, to public and private entities.

## CHAPTER 5. CENTERS AND REGIONAL COLLABORATIVES

### LEGISLATIVE INTENT FOR CENTERS AND REGIONAL COLLABORATIVES

88530. It is the intent of the Legislature that the programs and services provided through the EDNet Program shall be flexible and responsive to the needs identified through the regional planning process. Services shall be demand-driven, delivery structures shall be agile, performance-oriented, cost-effective, and contribute to regional economic growth and competitiveness. The use of economic development program centers, industry-driven regional collaboratives, and business networks, employers, and service providers shall provide a stable and flexible response mechanism for the identification of training priorities and to focus resources on short-term intensive projects for high growth sectors. These networks shall have the flexibility to meet the demand for new and emerging growth sectors and be formed, modified, eliminated, and reformed for short- or longer-term responses customized to the duration of the need.

### ELIGIBLE ACTIVITIES

88531. Economic development program centers and California Community College participation in industry-driven regional collaboratives may provide any or all of the following services and perform the following functions as participants of networks, including but not limited to:

- (a) Curriculum development, design, and modification that contributes to workforce skill development common to industry clusters within a region.
- (b) Development of instructional packages focusing on the technical skill specific to emerging occupations in targeted industries and growing industry clusters.
- (c) Faculty mentorships, faculty and staff development, in-service training, and worksite experience supporting the new curriculum and instructional modes responding to identified regional needs.
- (d) Institutional support, professional development, and transformational activities focused on removing systematic barriers to the development of new methods, transition to a flexible and more responsive administration of programs, and the timely and cost-effective delivery of services.
- (e) The deployment of new methodologies, modes, and technologies that enhance performance and outcomes and improve cost effectiveness of service delivery.
- (f) One-on-one counseling, seminars, workshops, and conferences that contribute to the achievement of the success of existing business and foster the growth of new business and jobs in emerging industry clusters.
- (g) Performance-based training on a matching basis to business and industry employers that promote continuous workforce improvement in identified strategic priority areas, identified industry clusters, or areas targeted by network infrastructure plans pursuant to this chapter.
- (h) Credit and noncredit programs and courses that contribute to workforce skill development common to industry clusters within a region or that focus on the technical skills specific to emerging occupations in targeted industries and growing industry clusters as identified by regional needs assessment.
- (i) Subsidized student internships on a cash or in-kind matching basis for program participants

in occupational categories determined to be consistent with the skill clusters necessary to be successful in the identified strategic priority areas, identified industry clusters, or areas targeted by network infrastructure plans.

- (j) Acquisition of equipment to support the eligible activities and the limited renovation of facilities to accommodate the delivery of eligible services.

#### CHAPTER 6. JOB DEVELOPMENT INCENTIVE TRAINING PROGRAM (JDIF) LEGISLATIVE INTENT

88540. (a) (1) Programs and activities of the Job Development Incentive Training Program shall include a strong partnership with state and local economic development entities, workforce development agencies, community-based organizations, and the private sector. It is the intent of the Legislature that this program provide training on a no-cost or low-cost basis to participating employers who create employment opportunities at an acceptable wage level for the attainment of self-sufficiency by both of the following groups:

- (A) Recipients of aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code.

- (B) Clients determined to be eligible because they are employed at a wage too low to attain self-sufficiency.

(2) Guidelines for the determination of eligibility under this subdivision shall be developed by the chancellor's office in consultation with the appropriate local, state, and federal agencies responsible for collecting appropriate data.

(3) Funds received from other eligible programs, including, but not necessarily limited to, programs under the federal Workforce Investment Act of 1998 (Public Law 105-220) and other applicable programs selected by the chancellor, or a combination of programs, may be used to provide funds to match job development incentive training funds.

(b) It is the intent of the Legislature that the expenditure of funds under this section should lead measurably to the upgrading of highly skilled and technical workers, upgrade opportunities for those who are employed at a wage too low to attain self-sufficiency, and the creation of jobs for new entrants into the workforce.

88541. Annual appropriations for the Job Development Incentive Training Program may be allocated for the purposes of supporting eligible activities if, as a result of the workforce improvement services provided to employers, entry-level positions are created within the industry cluster. Participating employers may receive eligible services such as performance-based training, and other eligible services that stimulate productivity and growth in targeted industrial clusters on a matching basis. Any annual savings from this section shall be available for expenditure for purposes of the Industry Driven Regional Collaborative Program.

#### CONDITIONS FOR WAIVING MATCHING FUND REQUIREMENTS - JDIF ONLY

88542. Matching fund requirements shall be waived for employers who receive training services through the Job Development Incentive Training Program and who accomplish either of the following:

- (a) Create employment opportunities for recipients of aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code at an acceptable wage level to attain self-sufficiency.
- (b) Create opportunities for individuals working at a low wage to upgrade to a wage adequate to attain self-sufficiency in the county in which they live.

88543. Each community college that participates in the Job Development Incentive Training

Program shall inventory its local or regional business community and identify industry-driven needs and employment opportunities with a goal of attaining self-sufficiency through workforce reentry, continuous employee training, and skills upgrades.

#### CHAPTER 7. REPORTING

88550. (a) The chancellor shall implement accountability measures that provide the Governor, Legislature, and general public with accountability measurements of the program that quantify both business and student outcomes and seek to specifically isolate the impact of the EDNet program on participants.

(b) The chancellor shall submit a report to the Governor and Legislature on or about January 1 of each year. Sufficient information shall be provided in the report to ensure the understanding of the magnitude of expenditures, by type of expenditure, including those specified in Section 88525, disaggregated by industry cluster and region. The report shall also include the marketing efforts conducted, the type of services provided to colleges and employers, the number of businesses, students, and employees served, and identify the benchmarks and indicators used to demonstrate the results achieved.

#### CHAPTER 8. REPEAL

88551. This part shall remain in effect only until January 1, 2003, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2003, deletes or extends that date. SEC. 4. Chapter 3.6 (commencing with Section 15379.20) of Part 6.7 of Division 3 of Title 2 of the Government Code is repealed.