



Key Considerations for Maximizing the Impact of the Golden State Education and Training Grant Program

November 9, 2021

BACKGROUND

The California 2021-22 State Budget allocated \$500 million in one-time funding to the California Student Aid Commission (Commission) to establish the Golden State Education and Training Grant Program. This program was created to assist hundreds of thousands of California's displaced workers in accessing the education and high-quality training that can enable them to reskill and pursue new career opportunities in light of disruptions created by COVID-19. Given the lack of traditional financial aid that has been available to serve the returning learner population and limitations in assistance provided towards non-degree education or training programs, this investment helps address a critical gap in the talent pipeline for California's workforce.

Through the Golden State Education and Training Grant Program, the Commission will make one-time grants of up to \$2,500 available to California resident workers who were displaced from employment due to the COVID-19 pandemic and are seeking to enroll in an education or training program offered by a community college, public university, or qualifying program on the Eligible Training Provider List. The Eligible Training Provider List provides employment training resources from a range of providers, including educational programs, apprenticeships and workforce training, in compliance with the federal Workforce Innovations and Opportunity Act (WIOA). To utilize a grant toward a program on the Eligible Training Provider List, that program must have a "demonstrated track record" of its participants obtaining employment that provides the living wage in their region within one year of program completion. Individuals utilizing their grant to access a public college or university may enroll in any program offered by that institution – including adult education, career technical education, short-term certificate programs, or extension and degree programs.

Participants must also meet a specified financial need threshold, consistent with that for the Cal Grant A, and may not have been enrolled in an education or training program at the time they were displaced from employment. Additionally, half of the funding allocated towards this program must be utilized towards grants provided to individuals caring for a dependent under the age of 18. The higher education trailer bill ([Assembly Bill 132, 2021](#)) to the 2021 State Budget Act also outlines requirements for any prioritization of applications necessary, means for the verification of participant eligibility, and how funding might be utilized for purposes of administering or promoting the program.

CONTEXT ON RETURNING LEARNERS

According to a report from the National Skills Coalition, more than 80% of all jobs in today's economy require some form of education or training beyond high school.¹ Additionally, as the job landscape continues to change throughout our nation, most estimates have at least 60% of today's jobs being impacted by digitalization, automation, and/or artificial intelligence. Even before accounting for the impact of COVID-19, this has meant that millions of Americans will have to reskill and up-skill to adapt to this changing climate.²

The economic and workforce disruptions created by the COVID-19 pandemic and ensuing public health guidelines have only further accelerated this process. A report published by the Milken Institute confirms that the COVID-19 pandemic exacerbated job displacement, further worsening existing social inequities in California's workforce. Low, stagnating wages and the increasingly high costs of living in California have caused many immense financial hardships and even pushed others to relocate outside the state.³ In an analysis of August 2021 jobs report, the Public Policy Institute of California found that 1.4 million Californians were unemployed, an approximately 30% increase from prior to the onset of COVID-19, reflecting 600,000 more displaced workers.⁴ The need to provide support and pathways to new opportunities to workers displaced by changes to the economy and nature of work has never been more clear or critical than today.

STAKEHOLDER FEEDBACK

To develop a program that best meets the needs of California's displaced workers, the Commission solicited the input of thought leaders and program experts with perspectives from the workforce development and higher education sectors. In the weeks following the enactment of AB 132, Commission staff met with key leaders from a range of government agencies, program providers, and non-profit policy research organizations that focus their efforts on supporting individuals in accessing meaningful workforce training or educational programs. In addition to these discussions, the Commission also hosted a virtual convening of experts from across California to share their perspectives on key considerations about serving displaced workers and designing a program that fits their needs.

¹ National Skills Coalition, 2017. "Investing in Postsecondary Career Pathways." Retrieved from: https://www.nationalskillscoalition.org/wp-content/uploads/2020/12/Investing-in-Postsecondary-Career-Pathways_web.pdf

² Ellen Duke-Benfield, A., Wilson, B., Kaleba, K. and Leventoff, J., 2021. "Expanding Opportunities: Defining Quality Non-Degree Credentials for States." Retrieved from: https://www.nationalskillscoalition.org/wp-content/uploads/2020/12/9.18-NSC_QNDC-paper_web.pdf

³ Wang, I. and Horton, M., 2021. "Recalibrating Workforce Development Across California: Strategies for Recovery and Resilience." Retrieved from: https://milkeninstitute.org/sites/default/files/reports-pdf/workforce%20dev-CA%20Final_0.pdf.

⁴ Bohn, S., Cuellar Mejia, M., Lafortunate, J. September 23, 2021. Public Policy Institute of California. Retrieved from: https://www.ppic.org/blog/californias-dual-jobs-challenges/?utm_source=ppic&utm_medium=email&utm_campaign=blog_subscriber

The Statewide Virtual Convening was held on October 15, 2021. During the Convening, topics of discussion included: statutory requirements for the program outlined in AB 132, user-profiles for individuals that would access these grants, existing programs to build and learn from, potential populations to target for outreach in the short-term, and key program design features for the medium and long term. Over 25 participants joined the Convening and contributed to the discussion, which was facilitated by Ria Bhatt of the College Futures Foundation.

KEY PROGRAM DESIGN FEATURES BASED ON STAKEHOLDER ENGAGEMENT

Based on discussions at and prior to the convening, as well as the Commission's review of the statutory language and intent of the program, several key takeaways have emerged to inform the design and initial launch of this new support for California's workers.

Focus on initial "quick start" outreach on key populations often excluded from financial aid

The urgency of the challenges faced by unemployed and underemployed Californians was a consistent theme leading up to the convening and prompted discussion about opportunities to identify populations that can be targeted for early outreach about the availability of these grants. Students meeting the criteria for this program that have already enrolled in a public college or university – particularly in a program that might not otherwise qualify for traditional financial aid, such as adult education, short-term certificate programs, or extension programs – were identified as populations for this initial outreach.

Individuals participating in the California Work Opportunity and Responsibility to Kids (CalWORKS) program were also identified as a population for early outreach, as the proportion of recipients that may have been displaced from employment and requirement that there be dependent children in the household of CalWORKS recipients. Labor unions, particularly in industries most impacted by the pandemic (e.g., hospitality, healthcare, food services), were also identified as key partners. Additionally, another key subgroup to consider in communicating the availability of grants are formerly incarcerated individuals who may have been displaced from their employment and seeking educational or training opportunities to reenter the workforce.

Utilize a streamlined, short-form application for participants, processed on a rolling basis

Stakeholders were consistent in their feedback that the application for a grant should have as few barriers as possible to individuals seeking such assistance, while still providing the Commission with the necessary information to determine eligibility. Where possible, the Commission was asked to utilize self-certification by the applicant rather than creating undue burdens to present documentation on the nature of their loss of employment or current income. The need to make the application available in a variety of modalities and multiple languages was also expressed. The Commission was also encouraged to consider

utilizing submitted financial application forms (i.e., the Free Application for Federal Student Aid or the California Dream Act Application) when possible to reduce the number of repetitive questions posed to a participant, while not requiring completion of a financial aid application for participants pursuing a program that does not qualify for federal or state financial aid. The Commission is developing a skip-logic based application for the program that would adapt to the applicant's circumstances and secure any necessary information whether they have submitted a traditional financial aid application or not.

In order to disburse grants as expeditiously as possible, the Commission was also advised to process applications for aid on a rolling basis, without establishing deadlines required for other financial aid programs. Rather than waiting for a deadline or sufficient number of applications to be received to then prioritize applications and award the most high-need applicants, the Commission would identify priority populations for initial outreach and promotion while processing all received applications for eligible participants.

Maximize the support provided to eligible individuals

Given the limited availability of other forms of financial aid for costs outside program enrollment, stakeholders advised that the Commission provide displaced workers with \$2,500 grant awards; a higher grant award amount that can address costs around housing, food, educational/training supplies, and technology will help participants not only access programs, but ultimately stay enrolled and succeed.

Additionally, workforce and postsecondary education leaders alike agreed that it was critical to help participants access other forms of support as they receive their grant towards their education or training program access. Co-enrollment of participants in other wrap-around support programs when first being awarded their grant, as well as the need to provide coaching or advising about their educational or training pathway to a career, were highlighted as important elements to program completion and success outside financial assistance.

Develop means to identify workforce training providers with a “demonstrated track record”

Representatives from the Employment Development Department shared that based on the limited number of programs on the Eligible Training Provider List with outcome wage data, there would be 38 programs that meet the “demonstrated track record” criteria established in AB 132. While many other programs on the Eligible Training Provider List will qualify based on their being offered by a public institution of higher education, stakeholders recognized the need to ensure that other data sources and mechanisms are utilized to identify workforce training providers that offer quality educational programs. These programs would position participants for career opportunities and can satisfy this statutory requirement.

Leverage investment to reinforce partnerships between higher education, workforce training providers, and community-based organizations

Workforce and higher education partners, particularly at the community colleges, have been deepening their partnerships for years. Thought leaders pointed toward several exemplary efforts through which colleges, workforce training providers, employers, and labor unions have come together to establish pathways for new or incumbent workers to re-skill or upskill in a manner that provides both a meaningful credential, as well as employment opportunities, upon program completion. Programs of this kind would be eligible venues for participants to utilize a grant and well-equipped to serve displaced workers seeking new career opportunities, given the involvement of a community college.

Community-based organizations were also identified as important partners to both promoting the grant opportunity within their network, as well as providing other support services that can address participants' needs beyond the one-time grant provided by the Commission. Effective coordination and collaboration between these entities will be imperative to ensuring that displaced workers learn about the grant and have support to succeed.

CONCLUSION & NEXT STEPS

As Commission staff have synthesized the feedback from stakeholders, efforts have also been underway to develop an initial application for the grant (as noted above) and identify the means of targeting potentially eligible participants. Given the challenge in communicating or reaching the population served by this program, the Commission is first prioritizing direct outreach and engagement to eligible students who are the easiest to identify, while simultaneously working towards establishing an external facing platform where individuals can learn about and apply for the program more broadly. The Commission is also engaging partners around the means through which external data sources can be utilized to identify other potentially eligible individuals, as well as further build-out the list of eligible training providers where a grant can be utilized.

Commission staff anticipate first conducting outreach to students that applied for financial aid for the 2021-22 academic year and appear to meet program criteria based on their application data, as this population would require the most minimal additional application data and present the most expedited payment process. After this cohort of students, the Commission will contact financial aid applicants that participate in CalWORKS, enrolled in a basic skills, adult education, or extension program, then will begin to conduct outreach to individuals in pre-apprenticeship programs, identified by their labor union, or participating in a qualifying program on the Eligible Training Provider List. Commission staff anticipate that the first awards under this program will be paid in the early Spring of 2022.

Through this new program, California leaders demonstrated their commitment to investing in the state's workforce and uplifting Californians from poverty. While this may be a new population for the Commission to serve, the Commission is eager to develop a specialized program that can help adult learners continue their education and training knowing that they can also access traditional financial aid to help them cover their costs. This program can address a key need for Californians in the short-term, while also catalyzing greater collaboration in serving this population and demonstrating impactful means of providing them with financial support as they position themselves for a successful career. The Commission is committed to leveraging this investment to spur real, positive change by helping Californians reskill and upskill for successful entry into the 21st century workforce and new career opportunities.