[Date]
California Community Colleges Board of Governors
Members of the California Legislature

RE: Letter of Support for Increased Related and Supplemental Instruction (RSI) Apprenticeship Funding

Dear Members of the California Community Colleges Board of Governors and Members of the California Legislature:

On behalf of the California Apprenticeship Council (CAC), we write to express our strong support for the proposed Budget Change Proposal (BCP) to increase state funding for Related and Supplemental Instruction (RSI) for California's registered apprenticeship programs.

RSI is an essential component of registered apprenticeship. It provides apprentices with the formal classroom instruction that, together with on-the-job training, enables them to develop the knowledge and skills necessary to successfully complete their apprenticeship and enter the workforce as qualified journey-level professionals. California's apprenticeship system has expanded significantly over the past several years, creating new opportunities for Californians while responding to the workforce needs of employers and industries across the state. However, the growth in apprenticeship participation and instructional demand has outpaced the funding available to support RSI reimbursement.

The need for additional investment is demonstrated by the program's escalating funding shortfalls. RSI shortfalls increased from approximately $818,874 in fiscal year 2022–23 to $5.5 million in 2023–24 and $7.8 million in 2024–25, with a projected $8 million shortfall in 2025–26. At the same time, annual cost-of-living adjustments have increased the reimbursement rate per instructional hour, meaning existing appropriations support fewer instructional hours each year. Together, these factors have created a recurring structural funding challenge that cannot be sustainably addressed through existing resources alone.

The proposed BCP requests $13 million in one-time funding to address projected RSI funding deficits, as well as an increase of $10 million to the existing base allocations in ongoing annual funding—$8 million for Schedule 3 and $2 million for Schedule 2—to ensure that RSI funding can better keep pace with continued growth in apprenticeship participation and instructional reimbursement requests.

The CAC believes this investment is necessary not only to address an immediate fiscal need, but also to protect the long-term stability and growth of California's apprenticeship system. Without additional resources, California Community Colleges and K–12 local educational agencies may face increasing difficulty sustaining existing apprenticeship programs, supporting growing numbers of apprentices, and developing new programs in emerging and high-demand industries.

The CAC further recognizes that the state's investment in RSI has supported apprenticeship education for more than four decades. Since the establishment of the dedicated RSI appropriation through Senate Bill 708 in 1983, California's apprenticeship system has expanded

well beyond its traditional base in the building and construction trades to serve a broader range of industries and occupations. Continued investment is necessary to ensure that the funding structure reflects the size and needs of today's apprenticeship system.

For these reasons, the CAC respectfully urges the California Community Colleges Board of Governors to advance this funding request for consideration through the state budget process and urges the California Legislature to provide the requested one-time and ongoing funding. This investment will help ensure that California's apprenticeship system remains strong, sustainable, and responsive to the needs of apprentices, employers, educational institutions, and the state's economy.

We appreciate your consideration of this important investment in California's apprenticeship infrastructure and workforce development system.

Sincerely,

California Apprenticeship Council
[Members/Signatories, as applicable]