

**CALIFORNIA DEPARTMENT OF TECHNOLOGY**

10860 Gold Center Drive,
Rancho Cordova, CA 95670
(916) 319-9223

Chris Given, Director
Jared Johnson, Chief Deputy Director

June 23, 2026

Honorable John Laird, Chair
Joint Legislative Budget Committee
1020 N Street, Room 553
Sacramento, CA 95814

SUBJECT: REVIEW OF REPORT ON THE CAREER PASSPORT PROGRAM

Dear Senator Laird:

Section 19(c)(4) of Chapter 9 of the Statutes of 2025 (AB 123) requires the Department of Technology (CDT) and the Department of Finance (DOF) to review a 2026 report from the Chancellor of the California Community Colleges (CCCC) regarding the timeline of the Career Passport Program. The provision requires CDT and DOF to verify that the CCCC's plan for the Career Passport Program is well planned and a reasonable use of resources. The following report provides the relevant policy and fiscal committees of the Legislature with recommendations related to the further development and expansion of the Career Passport Program.

Summary Recommendation

CDT recommends the Career Passport Program (the Program) for further development and expansion. The recommendation to continue investment is based on a comprehensive review of the CCCC California Career Passport Program 2026 Report, January 22, 2026, the CCCC California Career Passport Timeline Report, March 1, 2026, and a review of information provided by the CCCC in response to specific programmatic and technical questions submitted by CDT and DOF. The review below addresses the following functional areas: project management, enterprise architecture, cloud architecture, information security, operational resilience, and contract solicitation.

Project Overview Summary

The purpose of the Program is to help people get better jobs faster and help employers identify qualified candidates more easily. A competitive request for proposal (RFP) for the wallet platform (the Project) was released in April 2026. The Project is funded by a one-time \$25 million appropriation (AB 123 of 2025), which is available for encumbrance or expenditure until June 30, 2030. Pilot projects, vendor selection, and contracting will continue through fall 2026. At the same time, the

Project team is building essential infrastructure, developing governance structures, and conducting user and employer research. Early pilot projects will focus on real use cases such as hiring and credit-for-prior-learning so that students have immediate value on day one, including student identification, integration with eTranscript California, and employment records. The Project is on track with the \$25 million appropriation. About half of the Project's budget funds technology development, while the rest of the budget supports project management, integration work, and administrative costs. Spending is phased and tied to procurement milestones, keeping financial risk low. CCCC has established a governance structure and a technical advisory panel to provide expert input at key decision points. Major risks and dependencies are tracked through a project risk log with active mitigation plans. The objective of the Project is to deliver a functional, scalable solution by the end of the appropriation period and ultimately aims to give all Californians ownership of their credentials and create a modern, trusted skill infrastructure that improves job access and mobility statewide.

Enterprise Architecture Review

CCCC utilizes Credential Transparency Description Language (CTDL), which is designed to make credential information searchable, comparable, and interoperable across systems. CCCC's use of the CDTL open data standard is beneficial to information sharing within CCCC's established and future network of employers and colleges.

Cloud Architecture Review

The responses provided by CCCC indicate that the Project is supported by a modern cloud-based architectural approach designed to promote scalability, resiliency, and long-term operational sustainability. The overall framework aligns well with enterprise cloud governance principles and establishes a solid foundation for reliable service delivery.

There are opportunities to further strengthen operational maturity and resiliency. While the current cloud-native architecture supports a high level of availability, defining formal program-level objectives for uptime, recovery, and resiliency would establish measurable operational expectations and improve long-term service governance.

Additional opportunities exist to mature operational processes through the continued development of monitoring, incident response, backup and recovery, access governance, and escalation procedures. Enhancing operational guardrails and clarifying ownership responsibilities could improve consistency, accountability, and overall platform supportability. From an architectural perspective, simplifying integration paths and reducing platform dependencies could improve reliability, reduce complexity, and strengthen maintainability across the environment.

Information Security Review

The CCCC provided specific responses that adequately address information security concerns focused on: data governance; system security plan elements (system diagram, security controls); U.S. hosting/U.S. processing; cloud security governance; and security monitoring/alerting. The Project appears well focused on ensuring information security best practices are designed into the solution during its development and operation.

Operational Resilience Review

Based on a review of the Career Passport Timeline Report, supporting materials, and responses provided by CCCC, the Project reflects a strong conceptual vision and a modern, standards-based technical approach, while demonstrating varying levels of maturity across key areas required for successful implementation and long-term value realization.

The Project is grounded in a compelling statewide objective: improving the visibility and portability of skills and credentials to better connect Californians to education and employment opportunities. It demonstrates several notable strengths, including a clear articulation of the problem space, a modern interoperable architecture that minimizes vendor lock-in, and a phased procurement approach that incorporates competitive pilot project demonstrations with real users. Additionally, the Project reflects a clear awareness of key risks, including adoption, sustainability, and cross-agency coordination. At the same time, several areas warrant further development to support successful statewide implementation:

First, the Project's success is highly dependent on voluntary adoption by employers, educational institutions, and individuals. While the proposal emphasizes a value-driven adoption model, it does not yet establish clear, measurable adoption thresholds required to achieve meaningful statewide impact, nor does it demonstrate sufficient evidence of employer demand at scale. While limited participation may be sufficient to validate pilot project functionality, the plan does not yet define what level of adoption is required for sustained statewide value or how that level will be achieved. The Project's own risk assessment identifies employer adoption as a high-impact risk, reinforcing the importance of continued focus in this area.

Second, while the Project is well-developed from an architectural perspective, the definition of a minimum viable product (MVP) remains relatively conceptual. Additional clarity regarding specific user journeys, early functionality, and measurable success criteria would strengthen the plan. While it is appropriate that elements evolve through pilot phases, clearer interim targets and decision thresholds would help ensure that early execution effectively de-risks later statewide expansion.

Third, the Project defines an overall governance structure and identifies accountable entities; however, mechanisms for enforcing standards and resolving cross-agency dependencies are not yet fully established. Given the Project's reliance on entities outside CCCC's direct authority, including employers and partner agencies, this introduces elevated coordination risk that will need to be addressed as the solution scales.

Fourth, the Project is supported by a one-time \$25 million appropriation, with long-term funding and operational models identified as a future phase of work. While this is appropriate for initial development, the absence of a more defined sustainability pathway introduces risk to ongoing operations and expansion. The Project's own risk assessment similarly identifies sustainability as a high-impact risk.

Finally, the Project depends on coordination with multiple external systems and partners across the education and workforce ecosystem. While these dependencies are acknowledged, some are deferred to later phases, which may introduce additional complexity during statewide expansion.

Taken together, the proposed \$25 million investment represents a reasonable initial approach for infrastructure of this scale, particularly given the use of phased procurement and pilot-based validation to manage risk. However, realization of value is highly contingent on successful adoption and ecosystem participation. Without progress in these areas, there is a risk that the Project delivers a technically sound solution that does not achieve meaningful utilization or statewide impact.

To strengthen the Project and support successful outcomes, continued emphasis should be placed on: 1) advancing a more defined adoption strategy, including employer engagement and measurable targets; 2) clarifying and operationalizing a near-term MVP; 3) strengthening governance and cross-agency coordination mechanisms; 4) advancing sustainability planning earlier in the lifecycle; and 5) ensuring that pilot project efforts validate end-to-end user outcomes, not solely technical capability.

Solicitation Review

The CCCC is pursuing two RFPs. The information from these RFPs will be used to determine the one-time and longer-term implementation costs and final procurement outcomes for the Program and are anticipated to be completed in fall 2026. The key milestones as part of the RFPs are to award to multiple vendors to conduct pilot projects. The deadline for submitting responses was May 15, 2026, with pilots anticipated to commence in June 2026. CDT supports the use of pilot projects for multiple reasons, including long-term partner vendor selections and testing and validation of the technology for a broader implementation.

CDT recommends the following best practices when conducting pilot projects:

- Define clear objectives and scope.
- Select the right participants (program team, technical team, other subject matter experts, and end users).
- Create a strong process for teams to regularly share feedback and improve how they work together (i.e., scrum retrospectives).
- Monitor performance and usage (identify any technical issues or bottlenecks).
- Analyze feedback thoroughly since procurement and pilot project activities are ongoing.

Long-term success will require: ongoing coordination among key state entities such as the CCCC, the Labor and Workforce Development Agency, and the Office of Cradle-to-Career Data; and 2) ongoing state budgetary support.

CDT Conclusion

CDT has concluded that the Project represents a reasonable and strategically aligned investment that supports the state's broader workforce, education, and digital modernization objectives. The Project demonstrates a strong technical foundation, thoughtful phased implementation strategy, and appropriate use of pilot-based validation to manage risk and inform future expansion. While additional maturation is needed in the areas of adoption strategy, governance, sustainability planning, and operational execution, the CCCC has demonstrated awareness of these challenges and has established an approach capable of addressing them through iterative development and stakeholder engagement. Accordingly, CDT recommends continued development and expansion of the Project, with ongoing oversight focused on measurable adoption outcomes, long-term operational sustainability, and successful statewide implementation. If you have any questions or would like to discuss this review with CDT, please contact Aakash Bhatt, Legislative Manager, at Aakash.Bhatt@state.ca.gov.

DOF Concurrence

The Department of Finance reviewed the Career Passport reports from the CCCC and concurs with CDT's recommendations. Please contact Rob Trojan, Chief of the Information Technology Unit, at Rob.Trojan@dof.ca.gov for questions or comments.

Respectfully,



Chris Given
Director
California Department of Technology

June 23, 2026

Page 6

cc: Honorable Jesse Gabriel, Chair, Assembly Committee on Budget
Hans Hemann, Consultant, Joint Legislative Budget Committee
Elisa Wynne, Staff Director, Senate Budget and Fiscal Review Committee
Christian Griffith, Chief Consultant, Assembly Committee on Budget
Olgallia Ramirez, Chief Consultant, Senate Education Committee
Jeanice Warden, Chief Consultant, Assembly Committee on Higher Education
Joe Stephenshaw, Director, Department of Finance