Date of Hearing: April 24, 2019

ASSEMBLY COMMITTEE ON EDUCATION Patrick O'Donnell, Chair AB 1725 (Carrillo) – As Introduced February 22, 2019

SUBJECT: After School Education and Safety Program: funding and grant amounts

SUMMARY: Increases funding for After School and Education Safety Programs by \$112.8 million, beginning in in the 2019-20 fiscal year, and specifies conditions for ongoing increases. Specifically, **this bill**:

- 1) Expresses findings and declarations regarding the value of after school programs in meeting the needs of students, and the lack of adequate funding for such programs.
- 2) Expresses the intent of the Legislature to ensure the continuation and stability of high-quality After School and Education and Safety (ASES) Programs by enacting legislation that would require an appropriate increase in funding to ASES programs in each year that there is an increase to the state minimum wage or cost-of-living, equal to, either a 50 percent increase in funding for any increase in the minimum wage, or a cost-of-living increase, whichever is higher.
- 3) Appropriates \$112.8 million in ongoing funding to the California Department of Education (CDE) to fund the ASES program, beginning in the 2019-20 fiscal year.
- 4) Requires the Department of Finance (DOF) beginning in the 2020-21 fiscal year, to calculate the increase of the total funding amounts applicable to the ASES program by adding to the appropriation an amount necessary to fund an increase in the daily per-pupil rate in an amount equal to one of the following levels, whichever is higher:
 - a) 50 percent of each increase to the minimum wage provided as specified in the Labor Code.
 - b) The percentage increase to the California Consumer Price Index.
- 5) Requires the CDE to increase the dollar amounts allocated to ASES program grantees in accordance with the total amount appropriated for the program in the 2019-20 fiscal year and each fiscal year thereafter.

EXISTING LAW:

- Establishes the ASES program, passed by voters as Proposition 49 in 2002, which provides \$550 million annually for before and after school programs for K-9 students. Priority for funding is granted to schools where at least 50 percent of the students are eligible for free or reduced price meals. ASES programs receive direct grants, for which attendance is projected and grants are funded up-front, in three one-year increments. (Education Code 8482, 8482.4, and 8482.5)
- 2) Sets the maximum total direct grant awarded annually for an after school program as \$112,500 for each regular school year for elementary schools and \$150,000 for middle or

junior high schools (based on a formula of \$7.50 per student per day of attendance, at a maximum of \$37.50 per student per week). (EC 8482.55 and 8483.7)

- Sets maximum total grants awarded annually for a before school program at \$37,500 for each regular school year for elementary schools and \$49,000 for middle or junior high schools (based on a formula of \$5 per student per day of attendance, at a maximum of \$25 per student per week). (EC 8483.75)
- 4) Provides for a summer grant for programs in excess of 180 days or during any combination of summer, intersession.
- 5) Continuously appropriates \$550 million from the General Fund to the CDE for the ASES program. (EC 8483.5)
- 6) Sets the minimum wage for all industries, on and after January 1, 2016, at \$10 per hour. (Labor Code 1182.12)
- 7) Sets the minimum wage for employers who employ 26 or more employees at \$11 per hour for the 2017 calendar year and commencing January 1, 2018, raises the minimum wage for these employers by \$1 per hour per year for five years, to \$15 per hour as of January 1, 2022. (LC 1182.12)
- 8) Sets the minimum wage for employers who employ 25 or fewer employees at \$10.50 per hour for the 2018 calendar year, raises the minimum wage for these employers to \$11 for the 2019 calendar year, and commencing January 1, 2020, raises the minimum wage for these employers by \$1 per hour per year for four years, to \$15 per hour as of January 1, 2023. (LC 1182.12)
- 9) Authorizes the Governor, if certain conditions are met, to temporarily suspend the scheduled minimum wage increases for one year, but no more than two times. (LC 1182.12)

FISCAL EFFECT: Unknown

COMMENTS:

Need for the bill. According to the author, "ASES programs are the cornerstones of our educational system and serve more than 400,000 students at 4,200 schools in California each day. These programs are essential for working parents and they have been proven to improve school attendance, graduation rates and connections with peers. With the costs to operate the programs significantly rising, ASES programs across the state are struggling to stay open. AB 1725 will provide \$112.8 million in continuous funding to the California Department of Education for these critical after school programs and will allow ASES funding to grow with minimum and cost-of-living increases to continue to serve California students and families."

Value of after school programs. According to a 2016 report by the Afterschool Alliance, "Research has found that when children from low-income families take part in quality afterschool programs, they see positive gains. Consistent participation in high-quality afterschool programs has been shown to help students improve their work habits and demonstrate higher levels of persistence, and helps to close the achievement gap that exists between children from low-income families and their more affluent peers."

The California Afterschool Advocacy Alliance reports that public afterschool programs:

- Improve school attendance and reduce dropout rates
- Help English language learners transition to proficiency
- Expand STEAM learning and develop workforce skills
- Build social-emotional skills, health, and nutrition
- Prevent and reduce youth substance use and abuse
- Reduce juvenile crime by keeping students engaged during the prime time for crime involving children.

ASES program. The ASES program, passed by voters as Proposition 49 in 2002, provides \$550 million annually for before and after school programs for kindergarten through grade 9 students. The 2017-18 Budget Act increased ongoing funding to the ASES program by \$50 million for a total of \$600 million. According to the California Afterschool Advocacy Alliance, ASES programs serve more than 400,000 students at 4,200 schools each day.

Local governments and nonprofit organizations working in partnership with local educational agencies (LEAs) may also apply for funding. After school programs must commence immediately following the end of the school day and at least until 6 p.m. for 15 hours per week. Grants are provided in three one-year increments with maximum grants at \$122,850 per year for elementary schools, \$163,800 per year for middle or junior high schools based on a per pupil amount of \$8.19 per day of pupil attendance. Priority for funding goes to schools where at least 50% of the pupils are eligible for free- or reduced-priced lunch. Each program is required to provide a match equal to not less than one-third of the total grant. Facilities may count towards 25% of the local contribution.

Participating afterschool programs are required to have an educational and literacy component in which tutoring or homework assistance is provided in one or more of the following areas: language arts, mathematics, history and social science, computer training, or sciences; and an educational enrichment component, which may include, but is not limited to, fine arts, career technical education, career exploration, recreation, physical fitness and prevention activities.

ASES grantees are able to apply for summer/supplemental funding in order to operate for more than 180 days during summer, intersession or vacation periods.

Arguments in support. Supporters state that ASES programs promote career exploration and prepare youth for the jobs of tomorrow. They help English Learners transition to proficiency, build social-emotional skills, serve nutritious meals, reduce crime involving children, and prevent substance use and abuse. They are cost effective—with \$2 to \$9 saved for every \$1 invested.

But insufficient state funding is stretching ASES programs to their breaking point. ASES remains a state categorical program that was not folded into the LCFF, and ASES needs relief from the impacts of the state-imposed minimum wage increases. Since ASES was implemented, the state minimum wage has increased 50% (as of January 2019), while the Average Daily Attendance rate for ASES has only increased 9%. This deficit will continue to grow as the state minimum wage and cost of living continue to increase.

If the Legislature and Governor do not increase funding for ASES, nearly 1 in 4 programs expect to close their doors in 2020 and approximately 91,000 students would lose their afterschool program. These underserved students and families would lose a reliable and effective support that helps children succeed in school, helps parents keep their jobs, and ultimately, helps our communities rise out of poverty.

Prior and related legislation. SB 78 (Leyva) of the 2017-18 Session would have appropriated to the ASES program an additional \$99,135,000 in the 2017-18 fiscal year and each fiscal year thereafter, and commencing with the increases to the minimum wage implemented during the 2018–19 fiscal year, and every fiscal year thereafter, required the DOF to adjust the total ASES program funding amount of \$654,135,000 by adding an amount necessary to fund an increase in the daily pupil rate of 50 percent of each increase to the minimum wage. This bill was held in the Assembly Education Committee.

SB 645 (Hancock) of the 2015-16 Session would have authorized an ASES program to suspend operation for up to five days in a fiscal year beginning January 1, 2016. SB 645 was held in the Assembly Appropriations Committee.

AB 1426 (Cooper) of the 2015-16 Session would have increased the per-student daily and weekly rates for the ASES program, and eliminated the requirement for the after school component of the program to operate at least until 6 p.m. on regular schooldays. AB 1426 was held in the Senate Appropriations Committee.

AB 2663 (Cooper) of the 2015-16 Session would have continuously appropriated \$73.3 million for the ASES beginning with the 2016-17 fiscal year and adjusted the appropriation annually thereafter based on the California Consumer Price Index. AB 2663 was held in the Assembly Appropriations Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

A World Fit For Kids Alum Rock Union Elementary School District arc Bay Area Community Resources Berkeley PTA Big Springs Union Elementary School District Boys & Girls Club of Westminster Boys & Girls Club of Westminster Boys & Girls Clubs of Carson Boys And Girls Club of Silicon Valley Butte County Office of Education's Expanded Learning Department California Afterschool Advocacy Alliance California Afterschool Network California Alliance of Boys & Girls Clubs Inc. California Association Of Black School Educators California School-Age Consortium California State Alliance Of YMCAs California State PTA California Teaching Fellows Foundation Catholic Charities of Santa Clara County Children's Defense Fund-California **Chowchilla Elementary School District Community Health Councils Community Youth Ministries Compton Unified School District** Creative Brain Learning Delano Union School District Power Expanded Learning Program **Duarte Unified School District** East Whittier City School District **Educare Foundation Environmental Charter Schools** Escuela Popular Fight Crime: Invest In Kids Franklin-McKinley School District Gilroy Unified School District Glendale Unified School District Early Education And Extended Learning Programs Grass Valley School District Before and After School Program Hillsides How Kids Learn Foundation I.Am Angel Foundation Inglewood Unified School District Inner City Struggle Inner-City Arts Isla Vista School Joe Hamilton Elementary School Kids 1st After School Program Jurupa Unified School District Kindercare Education La'S Best After School Enrichment Program Lairon College Preparatory Academy Los Angeles Centers For Alcohol And Drug Abuse Los Angeles Child Guidance Clinic Los Angeles Education Partnership Los Angeles School Police Department, Los Angeles Unified School District Los Angeles Unified School District Mayor of Los Angeles Moreno Valley City Napa County Office of Education Oceanside Unified School District Ontario Montclair School District Para Los Ninos

Partnership For Children & Youth Partnership For Los Angeles Schools Pasadena Learns After School Program Porterville Unified School District **Public Profit** Real Options For City Kids Sacramento Chinese Community Service Center Say San Diego Student Success Institute, Inc. Super Stars Literacy Technet-Technology Network **Temescal Associates** Theodore Payne Foundation For Wild Flowers & Native Plants Think Together Village Extended School Program, Monrovia Unified School District Washington Elementary School, San Jose Unified School District Woodcraft Rangers Woodlake Unified School District YMCA Of Greater Long Beach YMCA Of Metropolitan Los Angeles Youth Alliance

Opposition

None on file

Analysis Prepared by: Debbie Look / ED. / (916) 319-2087