Date of Hearing: June 15, 2016

ASSEMBLY COMMITTEE ON EDUCATION Patrick O'Donnell, Chair SB 527 (Liu) – As Amended June 6, 2016

SENATE VOTE: 24-10

SUBJECT: Education finance: Safe Neighborhoods and Schools Planning: Learning Communities for School Success Program

SUMMARY: Establishes the Learning Communities for School Success Program for the purpose of implementing the K–12 education portion of the Safe Neighborhoods and Schools Act, approved as Proposition 47 by the voters at the November 4, 2014, statewide general election. Specifically, **this bill**:

- 1) Requires the California Department of Education (CDE) to administer a grant program and support local educational agencies (LEAs) in identifying and implementing evidence-based, nonpunitive programs and practices that are aligned with the goals for pupils contained in each LEA's local control and accountability plan (LCAP).
- 2) Requires LEAs to submit an application to the CDE to receive a grant, in a format and by a date determined by the CDE. Requires the application to include, at a minimum, all of the following:
 - a) Information about the pupil and school needs within the LEA.
 - b) The activities the LEA will undertake with the grant funding.
 - c) How the activities support the LEA's goals for pupils contained in its LCAP.
 - d) How the LEA will measure outcomes associated with the proposed activities and metrics reported in the LEA's LCAP.
- 3) Specifies that the grant shall be for three years and authorizes the CDE to establish requirements for grantees to meet at the end of the first and second years of funding in order to receive funding for the remaining grant period.
- 4) Requires the CDE to determine eligibility for grants and the distribution of grant funding based on all of the following factors:
 - a) Pupil and school needs the LEA will address with the grant funds.
 - b) Number of pupils to be served with the grant funds.
 - c) Number, size, and type of participating schools within the LEA.
 - d) Any challenges the LEA experiences in building capacity for fulfilling the purposes of this bill.

- e) The unique characteristics of small school districts, given their challenges with economies of scale and access to services in rural locations.
- 5) Requires the CDE to conducted targeted outreach to LEAs that are likely to be given priority as specified by this bill and offer the LEAs technical assistance as they develop their grant applications. Authorizes the CDE to provide technical assistance with application development, which may include assistance from external entities the CDE may contract with to provide training and technical assistance.
- 6) Requires the CDE to issue application guidelines that include, at a minimum, information on the outcome metrics the CDE will use to evaluate the program. When determining outcome metrics, requires the CDE to consider metrics currently being collected and used by existing federal, state, or local programs. Consistent with the objective of the Safe Neighborhoods and Schools Act to reduce crime, including truancy and dropout prevention, requires the CDE to consider using metrics for pupil truancy and school dropout, among others.
- 7) Requires the CDE to consult with stakeholders, including, but not limited to, representatives of LEAs, teachers and other school personnel, parents, advocacy organizations with experience working with target vulnerable populations, and parent- and youth-serving community-based organizations. Expresses the intent of the Legislature that stakeholders provide input to the CDE on the design of the application and review process, including the size of the grant awards, but not in determining who will be awarded grants.
- 8) Requires a LEA that receives a grant to use the grant funds for planning, implementation, and evaluation of activities in support of evidence-based, nonpunitive programs and practices to keep the state's most vulnerable pupils in school, consistent with the LEA's goals for the pupil engagement and school climate state priorities identified in its LCAP. Specifies that these activities may include, but are not limited to, all of the following:
 - a) Establishing a community school.
 - b) Implementing activities or programs to improve attendance and reduce chronic absenteeism, including, but not limited to, early warning systems or early intervention programs.
 - c) Implementing restorative practices, restorative justice models, or other programs to improve retention rates, reduce suspensions and other school removals, and reduce the referral of pupils to law enforcement agencies.
 - d) Implementing activities that advance social-emotional learning, positive behavior interventions and supports, culturally responsive practices, and trauma-informed strategies.
 - e) Establishing partnerships with community-based organizations or other relevant entities to support the implementation of evidence-based, nonpunitive approaches to further the goals of the program.
- 9) Authorizes the CDE to give priority to a LEA that meets any of the following criteria:

- a) Has a high rate of chronic absenteeism, out-of-school suspension, or school dropout for the general pupil population or for a numerically significant pupil subgroup, as identified in the LCAP. Defines "high rate" as a rate that exceeds the state average.
- b) Is located in a community with a high crime rate.
- c) Has a significant representation of foster youth among its pupil enrollment.

10) Requires a LEA that receives a grant to comply with the following:

- a) Provide a local contribution of matching expenditures equal to at least 20% of the total grant award. This local contribution can be from cash expenditures or in-kind contributions. A LEA is encouraged to exceed the 20% match requirement to enable the LEA to sustain the activities or programs established under this article beyond the three-year grant period.
- b) Use the grant funds to supplement and not supplant the existing resources the LEA currently allocates for purposes specified in this bill.
- c) Not use grant funds to pay for law enforcement activities, including personnel or equipment.
- 11) Authorizes 5% of the funds to be used for the administrative costs of implementing this bill, including, but not limited to, administering grant awards, coordinating the training and technical assistance structure, and completing an evaluation.
- 12) Requires the CDE to establish a structure to deliver training and technical assistance to grantees using regional workshops and technical assistance providers that have expertise on pupil engagement, school climate, truancy reduction, and supporting pupils who are at risk of dropping out of school or who are victims of crime. Authorizes the CDE to contract with those providers to assist the grantees as well as to serve as a resource for other LEAs that may use their own funding sources to engage in this community of practice.
- 13) Requires a LEA that receives grant funding pursuant to this bill to evaluate and report to the governing board of the school district, the county board of education, or its chartering authority, and the CDE the results of the activities it undertakes pursuant to this bill. Requires the CDE to compile information from grantee reports as part of an overall evaluation of the grant program implementation, assess the benefits of participation in the program, and identify the pupil and school outcomes associated with the strategies and programs implemented by grantees. Requires the CDE to submit an interim report of preliminary evaluation findings to the Legislature on or before January 31, 2019, and a final evaluation report to the Legislature on or before January 31, 2020, submitted in compliance with Government Code Section 9795.
- 14) Establishes the following definitions:
 - a) "Community school" means a public school that participates in a community-based effort to coordinate and integrate educational, developmental, family, health, and other comprehensive services through community-based organizations and public and private partnerships with one or more community partners for the delivery of community

services that may be provided at a school site to pupils, families, and community members.

- b) "Local educational agency" means a school district, county office of education (COE), or charter school.
- 15) Specifies that the provisions of this bill shall not become operative unless funds are appropriated in the annual Budget Act or another statute to the Safe Neighborhoods and Schools Fund in accordance with the Safe Neighborhoods and Schools Act for the purposes specified in this bill.

EXISTING LAW:

- Establishes the Safe Neighborhoods and Schools Act, which reduces the penalties for specified drug and property crimes. Savings resulting from reduced inmate population are required to be used for mental health and substance use services, truancy and dropout prevention, and victim services.
- Requires school districts and COEs to adopt and annually update LCAPs, which must include a description of annual goals to meet eight state priorities for all pupils and for all numerically significant subgroups, including ethnic subgroups, socioeconomically disadvantaged pupils, English learners, pupils with disabilities, and foster youth.

FISCAL EFFECT: Unknown

COMMENTS: In November 2014, voters approved Proposition 47, establishing the Safe Neighborhoods and Schools Act. The Proposition reduced penalties for specified non-violent drug and property crimes, resulting in a reduced prison population and thereby reduced state costs. The Proposition requires the Department of Finance to, on or before July 31st of each fiscal year, beginning with July 31, 2016, to calculate the savings derived by the Proposition during the preceding fiscal year. The savings are required to be allocated for the following purposes:

- 1) Twenty-five percent to the CDE to administer a grant program to public agencies aimed at improving outcomes for public school pupils in kindergarten through grade 12 by reducing truancy and supporting students who are at risk of dropping out of school or are victims of crime.
- 2) Ten percent to the California Victim Compensation and Government Claims Board, to make grants to trauma recovery centers to provide services to victims of crime pursuant to Section 13963.1 of the Government Code.
- 3) Sixty-five percent to the Board of State and Community Corrections, to administer a grant program to public agencies aimed at supporting mental health treatment, substance abuse treatment, and diversion programs for people in the criminal justice system, with an emphasis on programs that reduce recidivism of people convicted of less serious crimes, such as those covered by the Proposition, and those who have substance abuse and mental health problems.

Purpose of the bill. This bill establishes a grant program to implement the requirement to direct 25% of the funds to K-12 schools to reduce truancy and support students who are at risk of

dropping out of school or are victims of crime. School districts, COEs and charter schools are eligible to apply for three years of grant funding for planning, implementation, and evaluation of activities in support of evidence-based, nonpunitive programs and practices to keep students in school, consistent with the LEA's goals for meeting pupil engagement and school climate state priorities under the LCAP.

Each LEA is required to develop a LCAP to establish how local control funding formula funds will be used. LEAs are required to describe their goals for meeting eight state priorities, including "pupil engagement," as measured by factors such as school attendance rate and chronic absenteeism rate, and "school climate," as measured by suspension and expulsion rates.

Implementation of the program. The bill requires the CDE to establish parameters of the program, in consultation with stakeholders, but specifies that priority for funding shall go to LEAs with a high rate of chronic absenteeism, out-of-school suspension, or pupil dropouts; LEAs located in communities with high crime rates; or LEAs with significant representation of foster youth.

The bill requires the CDE to distribute funds based on: 1) pupil and school needs to be addressed; 2) the number of pupils to be served; 3) the number, size, and type of participating schools within the LEA; 4) whether the LEA experiences any challenges in building capacity for fulfilling the purposes of this bill; and 5) the unique characteristics of small school districts and their challenges.

Use of funds. The bill authorizes funds to be used to establish a community school, implement activities or programs to improve attendance and reduce chronic absenteeism, implement restorative practices, restorative justice models to keep students in school and reduce referrals of pupils to law enforcement agencies, implement activities that promote social-emotional and positive learning environments, and establishing partnerships with community-based organizations to support implementation of evidence-based, nonpunitive approaches. The bill specifically prohibits funds to be used to pay for law enforcement personnel or equipment.

Over the last several years, legislative- and school-based policies have shifted from tough disciplinary approaches to strategies that focus on how to support students in order to compel students to attend school and keep students at school. These strategies include alternative disciplinary programs, such as restorative justice practices, and strategies to improve school climate, such as Schoolwide Positive Behavior Intervention and Support programs and multitiered system of support.

Technical assistance. The bill requires the CDE to identify and outreach to LEAs that meet the priorities for funding to provide assistance in developing their applications. The bill also requires the CDE to establish a structure to provide training and technical assistance to grantees, such as providing regional workshops, on strategies to improve pupil engagement, reduce truancy, improve school climate, and support pupils who are at risk of dropping out or who are victims of crime.

Evaluation and report. The bill requires LEAs that receive grant funding to evaluate and report to their respective governing bodies and the CDE the results of the activities undertaken. The bill also requires the CDE to compile information from the grantee reports to assess the benefits of participation in the program and identify pupil and school outcomes associated with the activities undertaken by the grantees. The CDE is required to submit an interim report to the

Legislature on or before January 31, 2019 and a final evaluation report on or before January 31, 2020. The required dates for the reports do not provide much time for implementation. The author may wish to consider extending the reporting dates in order to get a more meaningful evaluation. The author may also wish to consider inserting timelines by which grantees are to report to their respective governing bodies and the CDE.

Local match. The bill requires a 20% local match, either through cash expenditures or in-kind contributions.

How much? The Governor's January budget projected \$29.3 million in savings to be used for the three purposes specified by the Proposition. The Legislative Analyst's Office, however, believes that the Administration underestimated the savings by \$100 million. Under the budget just approved by the Budget Conference Committee, the education component of the Proposition receives \$9.9 million of estimated Proposition 47 savings, with an additional \$18 million in one-time Proposition 98 funds provided for this purpose, bringing the total to \$27.9 million. If the intent of the bill is to allow a LEA to receive annual grants for three years, the one-time nature of the additional \$18 million may pose a problem if the funds are all allocated in one year, unless savings from Proposition 47 funds are high enough to cover the \$18 million over the next two fiscal years.

Related legislation. AB 1014 (Thurmond), pending in the Senate Inactive File, establishes the Our Children's Success – The Early Intervention Attendance Pilot Grant Program to reduce absenteeism in kindergarten through third grade.

SB 463 (Hancock), pending in this Committee, establishes the Safe and Supportive Schools Train the Trainer Program to provide funds to a designated COE to be responsible for the development or identification of professional development activities that are intended to lead to the establishment of statewide professional development support structures and a network of trainers to develop and expand Schoolwide Positive Behavior Interventions and Supports programs, restorative justice, social and emotional learning, trauma-informed practice, and cultural competency professional development.

Public Counsel, writing in support of the bill, states, "We believe that SB 527 creates an effective implementation framework that will ensure that these critical resources are used for evidence-based non-punitive programs and practices to keep the state's most vulnerable students in school. The framework also ensures that the effectiveness of the programs supported by the funds is carefully monitored, and the learning achieved through the development and implementation of these important programs is shared across local education agencies and communities to maximize the impact of the funds."

REGISTERED SUPPORT / OPPOSITION:

Support

Alliance for Boys and Men of Color American Civil Liberties Union of California California Federation of Teachers Children Now Coleman advocates for Children & Youth InnerCity Struggle Labor/Community Strategy Center Movement Strategy Center National Association of Social Workers Our Family Coalition Public Counsel

Opposition

None on file

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