
SENATE COMMITTEE ON EDUCATION

Senator Carol Liu, Chair
2015 - 2016 Regular

Bill No: SB 645
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Urgency: No
Consultant: Lynn Lorber
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Fiscal: Yes

Subject: After school programs: grant amounts

SUMMARY

This bill appropriates to the After School Education and Safety program \$54 million in the 2015-16 fiscal year, and \$72 million beginning in the 2016-17 fiscal year and every year thereafter, and creates a cost of living adjustment linked to the California Consumer Price Index beginning in the 2017-18 fiscal year.

BACKGROUND

Current law establishes:

1. The After School Education and Safety (ASES) program, consisting of before and after school academic enrichment. Priority for funding is granted to schools where at least 50% of the students are eligible for free or reduced price meals. ASES programs receive direct grants, where attendance is projected and grants are funded up-front, in three one-year increments. (Education Code § 8482, 8482.4, and § 8482.5)
2. 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)
3. The maximum total grant awarded annually for a *before school* program as \$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. A *summer* grant to operate the program in excess of 180 days or during any combination of summer, intersession, or vacation for a maximum of the lesser of:
 - A. \$7.50 per student per day; or,
 - B. 30% of the total grant amount awarded to the school per school year; or,
 - C. \$33,750 for elementary schools and \$45,000 for middle or junior high schools. (EC § 8483.7 and § 8483.76)

Current law continuously appropriates to the California Department of Education \$550 million from the General Fund for the After School Education and Safety (ASES) program. (EC § 8483.5)

Current law:

1. Establishes the minimum wage of nine dollars per hour on and after July 1, 2014, and ten dollars per hour on and after January 1, 2016. (Labor Code § 1182.12)
2. Requires employers to provide at least one hour of paid sick time for every 30 hours worked, or a minimum of three days per year. (Labor Code § 246)

ANALYSIS

This bill appropriates to the After School Education and Safety (ASES) program \$54 million in the 2015-16 fiscal year, and \$72 million beginning in the 2016-17 fiscal year and every year thereafter, and creates a cost of living adjustment linked to the California Consumer Price Index beginning in the 2017-18 fiscal year. Specifically, this bill:

1. For the 2015-16 fiscal year, appropriates \$54 million from the General Fund (Proposition 98) to the California Department of Education (CDE) for the ASES program, and requires the CDE to proportionately adjust the dollar amounts for the ASES base grants and the per student per day rates.
2. For the 2016-17 fiscal year and each fiscal year thereafter, continuously appropriates \$72 million from the General Fund (Proposition 98) to the CDE for the ASES program, and requires the CDE to proportionately adjust the dollar amounts for the ASES base grants and the per student per day rates.
3. Requires the Department of Finance, beginning with the 2017-18 fiscal year and each fiscal year thereafter, to adjust the appropriation for the ASES program by adding the product of \$622 million times the percentage change in the California Consumer Price Index from the 2016-17 fiscal year, provided the adjustment does not result in a reduction in any fiscal year.
4. Requires the CDE, beginning with the 2017-18 fiscal year and each fiscal year thereafter, to annually adjust the dollar amounts for the ASES base grants and the per student per day rates by an amount reflecting the percentage change in the California Consumer Price Index from the 2016-17 fiscal year, provided the adjustment does not result in a reduction in any fiscal year.

STAFF COMMENTS

1. ***Need for the bill.*** According to the author, “The Education Code establishes that \$550 million shall be continuously appropriated from the General Fund to the Department of Education for the After School Education and Safety (ASES) Program. This funding amount has not increased since the introduction of the program, despite minimum wage increases that impact the hourly pay for both site coordinators and program leaders, the new statutory requirement for three paid sick days per year, and other increased costs associated with operated After

School Education and Safety (ASES) programs. The average cost of an after school program is \$7 per child per hour, or \$21 per day. This is nearly three times the average daily attendance rate of \$7.50 paid to ASES providers.”

2. **Family fees.** Current law does not require ASES programs to charge family fees or to conduct individual eligibility determinations based on need or income. It appears that ASES programs have the ability to charge family fees; however, it is unlikely that many programs charge fees, or reap significant fees, as ASES programs serve schools where a minimum of 50% of the students are eligible for free- or reduced-price meals, and funding priority is given to programs serving the highest percentages of students who are eligible for free and reduced-price meals.
3. **Budget issue.** The Education Code requires the continuous appropriation of \$550 million from the General Fund to the California Department of Education for the ASES program. This bill proposes to increase that appropriation by \$54 million in the 2015-16 fiscal year, \$72 million in the 2016-17 fiscal year and every fiscal year thereafter, and provide an annual cost of living adjustment beginning in the 2017-18 fiscal year. The Governor’s proposed 2015-16 Budget does not provide an increased appropriation for the ASES program. The Senate Budget Subcommittee on Education may wish to consider this funding proposal through the annual budget process.

Is it appropriate for this Committee to pass a bill that makes a significant appropriation of Proposition 98 funds? Passing this bill would signal this Committee’s desire to provide funds to ASES programs that are sufficient to mitigate the increase in minimum wage. The decision of whether to provide additional funds will ultimately be made in the Budget Act.

4. **Subcommittee hearing.** The Senate Education Subcommittee on Community Schools held an informational hearing on March 25, 2015, featuring a panel on after school and out-of-school programs. This panel provided testimony relative to the effects the increases in minimum wage will have on the statutory funding levels and caps on per student daily rates for ASES programs (see Comment #1).

SUPPORT

Alhambra Afterschool Adventures
 Alhambra Unified School District
 ARC
 Aspiranet
 Bay Area Community Resources
 Boys & Girls Clubs of Garden Grove
 Boys & Girls Clubs of Greater Redlands-Riverside
 California Educational Centers
 California School – Age Consortium
 California State Alliance of YMCAs
 California Teaching Fellows Foundation
 Children’s Initiative

Citizen Schools
City of Santa Maria Recreation and Parks Department
Coaching Corps.
Empire Union School District
Fight Crime: Invest in Kids California
Institute for Student Success, Inc.
LA's Best After School Enrichment
Lassen County Office of Education
LEAD ASES Assist., Site Coordinator, Bernardo Height Middle School
Merced County Office of Education
MVM Strategy Group
Oakland Unified School District
Para Los Niños Charter
Partnership for Children & Youth
Patterson Joint Unified School District, After School Programs
Reach for the Stars
Student Success Institute, Inc.
Summerville School District
Think Together
TOSA/Program Coordinator/ Poway Unified School District
Twin Peaks Middle School, Site Coordinator ASES Programs
YMCA Coast Central
YMCA of Metropolitan Los Angeles
YMCA of San Diego County
YMCA of the East Bay
An individual

OPPOSITION

None received.

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