
THIRD READING

Bill No: AB 1491
Author: McCarty (D)
Amended: 8/11/22 in Senate
Vote: 21

SENATE EDUCATION COMMITTEE: 7-0, 6/1/22
AYES: Leyva, Ochoa Bogh, Cortese, Dahle, Glazer, McGuire, Pan

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/11/22
AYES: Portantino, Bates, Bradford, Jones, Laird, McGuire, Wieckowski

ASSEMBLY FLOOR: 63-0, 1/14/22 - See last page for vote

SUBJECT: Adult education: consortia: carryover of allocated funds

SOURCE: Author

DIGEST: This bill authorizes an adult education consortium to reduce a member's allocation by no more than the amount of the member's carryover if the consortium makes a finding by a majority vote, if the member has had excessive carryover for at least two consecutive years.

ANALYSIS:

Existing law:

Establishes the California Adult Education Program (CAEP) and authorizes the Chancellor and the SPI to administer the program.

Authorizes the Chancellor and the SPI, with advice from the executive director of the State Board of Education (SBE), to divide the state into adult education regions based on specified factors and approve one adult consortium for each adult education region.

Authorizes the Chancellor and the SPI, with advice from the SBE, to approve the rules and procedures for each consortium regarding membership, funding and use

of funds, governing structure, and decision making procedures, as defined. Permits any community college district, school district, county office of education, or any combination residing in the adult education region to be a member of the adult education consortium.

Requires, beginning in the 2019-2020 fiscal year, each member of the consortia to have a consortium approved three-year adult education plan that addresses a three-year fiscal planning cycle and meets specified requirements regarding providing adult educational services to meet the region's adult education needs. Requires consortium members to have the plan in order to receive funds allocated for adult education by the state and requires the plan to be updated at least once each year.

This bill:

- 1) Defines "carryover" to mean the amount of unspent adult education program funds from the prior fiscal year, certified on or before September 1 of the current fiscal year, expressed as a percentage of the prior fiscal year's allocation.
- 2) Clarifies that a consortium's existing authority to make a finding that a member has been consistently ineffective in providing services that address the needs identified in the adult education plan:
 - a) May be based on that member having excessive carryover for at least two consecutive fiscal years, beginning in 2022-23,
 - b) Shall require a majority vote of the consortium's membership,
 - c) Authorizes the consortium to reduce the ineffective member's allocation by no more than the amount of the member's carryover.
- 3) Requires a consortium with carryover from one or more prior fiscal years exceeding 20 percent to submit a written expenditure plan, including future corrective actions to reduce the consortium's carryover to below 20 percent, to the chancellor and the Superintendent.
- 4) Specifies that, for each fiscal year that a consortium has carryover of more than 20 percent, the chancellor and the Superintendent shall prescribe and assign technical assistance to that consortium to ensure that adequate adult education services are provided to the region in proportion to the region's available

funding. Clarify that the chancellor and the Superintendent shall ensure that the consortium funding remains dedicated to that consortium's region.

Comments

- 1) *Need for this bill.* According to the author, "Each year, the Legislature provides funding to adult education programs with the expectation that this funding is going to serve adult education students in that budget year. Instead, we find that some adult education providers carryover as much as 100% of their yearly allocation, while other programs run out of funding and struggle to meet the need within their communities. AB 1491 establishes clear criteria, accountability, and a cap on funding carryover (with appropriate exceptions) to ensure that the limited dollars allocated for adult education are used in a timely manner to support growing student needs."
- 2) *Adult education system in California.* The primary purpose of adult education is to provide adults with the precollegiate knowledge and skills they need to participate in civic life and the workforce. Toward this end, most adult education course offerings are in three instructional areas: basic math and English, English as a second language, and career technical education (CTE). For CTE, adult education providers tend to offer programs that are one year or less in length.

Community colleges and school districts (through their adult schools) are the primary providers of adult education. In addition, various other entities provide adult education, including community-based organizations, libraries, and jails. Due to longstanding concerns with a lack of coordination among providers, the 2013-14 budget package restructured California's adult education system by creating the CAEP and the adult education regional consortia, requiring each provider to become a member of a consortium with other providers to create an adult education plan to meet the civic and basic skill needs of adults in a specific region. Consortia membership is limited to LEAs, community college districts, county offices of education, and joint powers agencies.

- 3) *How are adult education consortia funded?* AB 104 (Committee on Budget, Chapter 13, Statutes of 2015) created the Adult Education Block Grant, which provides \$500 million in ongoing Proposition 98 funds to the consortia to serve the educational needs of adults in their region according to the consortium regional education plans. The Adult Education Block Grant has since been renamed the CAEP and has received two costs of living increases in subsequent

fiscal years for a total of about \$538.5 million annually. The California Community Colleges and the California Department of Education disperse funding to regional consortia based on three factors:

- a) The previous year's allocation to each consortium;
- b) Need for additional funding to meet the regional consortium's adult education needs; and,
- c) Whether the consortium has effectively met the need.

If a consortium receives more funding in a given year than the previous fiscal year, each consortium member will receive at least the same amount of funding as they received in the previous year. If a consortium receives less funding in a given fiscal year, the consortium members will also receive less funding. The consortium determines the total percentage of funding loss and deducts the same percentage from each consortium member's funding allocation equal to the total percentage of total funding loss. Beginning in 2019-2020, each consortium is required to provide a member approved three year adult education plan that aligns with a three year fiscal plan to meet the educational needs of the region. The plan is to be updated each year with information regarding the educational services provided and the adult education needs of the region.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee, while this bill would not create additional costs for the program at the state level, it could result in less funding available for members within a local adult education consortia that have excessive carryover. The extent of the funds is unknown and could vary year to year, depending on the amount of funds not being expended by local adult education consortia members.

The Chancellor's Office indicates that the bill could result in additional consortia that would be subject to the new carryover limit. This would trigger additional workload to update their financial reporting tools and provide these consortia with technical assistance. The Chancellor's Office estimates that the cost for these activities would be approximately \$65,000 each year but the exact amount would depend on the number of consortia who need additional support. (General Fund)

SUPPORT: (Verified 8/13/22)

California Teachers Association
Los Angeles Unified School District

OPPOSITION: (Verified 8/13/22)

None received

ASSEMBLY FLOOR: 63-0, 1/14/22

AYES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bloom, Boerner
Horvath, Mia Bonta, Bryan, Burke, Calderon, Carrillo, Choi, Cooley, Cooper,
Daly, Davies, Flora, Fong, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia,
Gipson, Gray, Grayson, Irwin, Jones-Sawyer, Kalra, Kiley, Lackey, Lee,
Levine, Low, Maienschein, Mathis, McCarty, Medina, Mullin, Nazarian,
O'Donnell, Patterson, Petrie-Norris, Quirk-Silva, Ramos, Reyes, Luz Rivas,
Robert Rivas, Rodriguez, Blanca Rubio, Salas, Seyarto, Smith, Stone, Ting,
Valladares, Villapudua, Waldron, Ward, Akilah Weber, Wicks, Wood, Rendon
NO VOTE RECORDED: Bigelow, Cervantes, Chen, Cunningham, Megan Dahle,
Friedman, Holden, Mayes, Muratsuchi, Nguyen, Quirk, Santiago, Voepel

Prepared by: Ian Johnson / ED. / (916) 651-4105
8/15/22 13:01:51

**** END ****