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## SENATE COMMITTEE ON EDUCATION

Senator Connie Leyva, Chair

2019 - 2020 Regular

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**Bill No:** AB 1725 **Hearing Date:** July 10, 2019  
**Author:** Carrillo  
**Version:** May 17, 2019  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Brandon Darnell

**Subject:** After School Education and Safety Program: funding and grant amounts.

### SUMMARY

This bill, commencing with the increases to the minimum wage implemented during the 2020–21 fiscal year, and every fiscal year thereafter, requires the Department of Finance (DOF) to increase the total After School Education and Safety (ASES) program funding amount by adding an amount necessary to fund an increase in the daily pupil rate of either: 1) 50 percent of each increase to the minimum wage, or 2) the percentage increase in the California Consumer Price Index (CCPI), whichever is greater.

### BACKGROUND

Existing law:

- 1) 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, where attendance is projected and grants are funded up-front, in three one-year increments. (Education Code § 8482, et seq.)
- 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)
- 3) Sets 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) Provides for 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 percent 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)
- 5) Continuously appropriates \$550 million from the General Fund to the California Department of Education (CDE) for the After School Education and Safety (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 \$10.50 per hour for the 2017 calendar year and commencing January 1, 2018, sets the minimum wage for these employers at \$11 per hour and raises that wage \$1 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, and commencing January 1, 2019, sets the minimum wage for these employers at \$11 per hour and raises that wage \$1 per year for five 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)

## ANALYSIS

This bill, commencing with the increases to the minimum wage implemented during the 2020–21 fiscal year, and every fiscal year thereafter, requires the DOF to increase the total ASES program funding amount by adding an amount necessary to fund an increase in the daily pupil rate of either: 1) 50 percent of each increase to the minimum wage, or 2) the percentage increase in the CCPI, whichever is greater. 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 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) Requires the Department of Finance (DOF), commencing with the 2020-21 fiscal year, to increase the total funding amounts applicable to the ASES program by 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.
- 4) 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.
- 5) Provides that implementation of its provisions is subject to the enactment of an appropriation for its purposes in the Budget Act or another statute.

#### STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, “Funding for California’s After School Education and Safety (ASES) programs average daily attendance rates have not been increased since 2006 while minimum wage increased and state mandated sick leave have caused operating costs to rise. If there is no increase in funding, 29% of after school programs may have to close their doors completely within the next two years, which could potentially displace as many as 120,000 students. These programs provide students with academic and enrichment activities, offer necessary and affordable childcare options for working families and keep children safely off the streets. They also provide a wide variety of benefits to participating students including: improved school attendance, English fluency, academic success, crime prevention, and social-emotional skill development.”
- 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 percent 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 Act includes additional \$50 million this year for ASES programs.*** The Education Code requires the continuous appropriation of \$550 million from the General Fund to the CDE for the ASES program. This bill proposes to increase that appropriation by an amount sufficient to fund an increase in the daily pupil rate of 50 percent of each increase to the minimum wage or increase in the CCPI, whichever is greater. The Budget Act of 2018 (SB 840, Mitchell) provided an additional \$50 million in ASES funding, and the Budget Act of 2019 (SB 74, Ting) includes another additional \$50 million in ASES funding, bringing the total ASES funding for the 2019-20 fiscal year to \$650 million. The Budget Act of 2019 does not include additional ASES funding for purposes of the bill.

- 4) **Governor's authority to suspend minimum wage increases.** Existing law authorizes the Governor to temporarily suspend scheduled minimum wage increases if certain conditions are met. Currently, the minimum wage is \$11 for employers with fewer than 26 employees and \$12 for employers with 26 or more employees. To date, the Governor has not exercised the authority to suspend scheduled increases. It appears to staff that the required adjustments to the total ASES program funding by the DOF would not be triggered in a fiscal year in which the scheduled minimum wage increase is suspended by the Governor. The author may wish to clarify the bill's intent on this point.
- 5) **Previous legislation.** SB 78 (Leyva, 2017) was substantially similar to this bill. SB 78 was not heard in the Assembly Education Committee at the request of the author.

SB 645 (Hancock, 2016) would have authorized an After School Education and Safety (ASES) Program to suspend operation for up to five days in a fiscal year beginning January 1, 2016. SB 645 was held on the Suspense File in the Assembly Committee on Appropriations.

AB 1426 (Cooper, 2016), an urgency measure, 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 on the Suspense File in the Senate Committee on Appropriations.

AB 2663 (Cooper, 2016) 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 on the Suspense File in the Assembly Committee on Appropriations.

SB 1221 (Hancock, Ch. 370, Stats. 2014) modified eligibility, types of grants, the amount of grants, and outcome measures of the ASES, the 21st Century Community Learning Centers, and the 21st Century After School Safety and Enrichment for Teens programs.

SB 429 (DeSaulnier, Ch. 626, Stats. 2011), authorized an ASES program provider to use supplemental grant funds to operate a six-hour program and establishes other parameters for programs operating summer, intersession or vacation programs, including by authorizing a program to be conducted at an offsite location or at an alternate schoolsite and authorizing a supplemental grantee to open eligibility to every pupil attending a school in the district with priority for pupils enrolled in the school that receive a grant.

## SUPPORT

California Afterschool Advocacy Alliance (Sponsor)  
A World Fit for Kids  
After-School All-Stars Bay Area  
Alum Rock Union Elementary School District  
Arc

Bay Area Community Resources  
Berkeley PTA Council  
Big Springs Union Elementary School District  
Boys & Girls Club of Carson  
Boys & Girls Club of Silicon Valley  
Boys & Girls Club of Westminster  
Boys & Girls Clubs of Oceanside  
Burbank Community YMCA  
California AfterSchool Network  
California Alliance for Boys & Girls Clubs  
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 Now  
Children's Defense Fund – California  
Chowchilla Elementary School District  
City of Downey  
City of Moreno Valley  
City of Oakland  
City of Perris  
City of South Gate  
Clare Rose Foundation  
Community Health Councils  
Community Youth Ministries  
Compton Unified School District  
Creative Brain Learning  
Cucamonga School District  
Delano Union School District POWER Expanded Learning Program  
Duarte Unified School District  
East Whittier City School District  
EduCare Foundation  
Environmental Charter Schools  
Eric Garcetti, Mayor of Los Angeles  
Escuela Popular  
EveryChild California  
Fight Crime: Invest in Kids  
Firebaugh-Las Deltas Unified School District  
Franklin-McKinley School District  
Gang Alternatives Program  
Gilroy Unified School District  
Glendale Unified School District Early Education and Extended Learning Programs  
Grass Valley School District Before and After School Program Bell Hill Academy BASO  
Hillsides  
How Kids Learn Foundation  
i.am Angel Foundation  
Inner City Arts  
Inner City Struggle

Isla Vista School  
James Jordan Middle School  
Joe Hamilton Elementary School Kids 1st After School Program  
Junior Leagues of California State Public Affairs Committee (CALSPAC)  
Jurupa Unified School District  
Kindercare Education  
LA's Best Afterschool 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  
Mission: Readiness  
Moreno Valley Unified School District  
Napa County Office of Education  
Oceanside Unified School District  
Ontario Montclair School District  
Para Los Niños  
Partnership for Children & Youth  
Partnership for Los Angeles Schools  
Pasadena Unified School District's Pasadena Learns After School Program  
Porterville Unified School District  
Public Profit  
ReadyNation  
Real Options for City Kids  
Sacramento Chinese Community Service Center  
SAY San Diego  
Social & Environmental Justice Com. of the Universalist Unitarian Church of Riverside  
Sonoma County Family YMCA  
South Bay Union School District  
Student Success Institute  
Super Stars Literacy  
TechNet  
Temescal Associates  
The Children's Initiative  
The Children's Movement Fresno  
The Education Trust – West  
Theodore Payne Foundation for Wild Flowers & Native Plants  
Think Together  
TOMS Shoes  
Monrovia Unified School District Village Extended School Program  
Washington Elementary School, San Jose Unified School District  
Woodcraft Rangers  
Woodlake Unified School District  
YMCA Greater Whittier  
YMCA of Greater Long Beach  
YMCA of Metropolitan Los Angeles  
YMCA of San Diego County  
YMCA Orange County

YMCA Silicon Valley  
Youth Alliance  
Numerous individuals

**OPPOSITION**

None received

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