

Date of Hearing: August 14, 2013

ASSEMBLY COMMITTEE ON HIGHER EDUCATION
Das Williams, Chair
SB 173 (Liu) – As Amended: August 8, 2013

SENATE VOTE: 36-1

SUBJECT: Education funding: adult health and safety education

SUMMARY: Establishes guidelines and recommendations for adult education programs in the areas of assessment, performance accountability, and teacher requirements; and eliminates specified classes and courses authorized to be funded from the adult education fund and California Community Colleges (CCC) adult education noncredit apportionments. Specifically, this bill:

- 1) Requires the California Department of Education (CDE), in conjunction with the CCC Chancellor's Office (CCCCO), to coordinate and issue assessment policy guidelines regarding assessments to be used by school districts and community college districts for purposes of placement in adult education courses.
- 2) Requires the CCCCCO and the CDE to do the following:
 - a) Jointly establish and implement a comprehensive performance accountability system for adult education courses; and,
 - b) Develop guidelines and procedures for all adult education funded providers for assessment, evaluation, and data collection to document participant outcomes and placement and other performance measures they deem appropriate. Specifies that performance measures may include receipt of a secondary school diploma or its recognized equivalent, placement in a postsecondary educational institution, training, and employment. Specifies that to the extent possible, these performance measures shall be consistent with those required and implemented pursuant to the federal Workforce Investment Act (WIA) of 1998, Title II, Adult Education and Family Literacy Act. Requires all funded programs to annually submit demographic and other student-level outcome information.
- 3) Defines "chancellor's office" as the Office of the Chancellor of the CCC, and "department" to mean the CDE.
- 4) Removes, as of July 1, 2015, the following classes from the list of authorized classes and courses offered by school districts and county superintendent of schools for apportionment purposes from the adult education fund:
 - a) Adult programs in parenting, including parent cooperative preschools, and classes in child growth and development, parent-child relationships, and parenting;
 - b) Adult programs for older adults;

- c) Adult programs in home economics; and,
 - d) Adult programs in health and safety education.
- 5) Specifies that nothing in the bill shall limit the authority of a school district to offer adult education programs and course for older adults, in health and safety education, or programs in parenting, or both, provided that those programs or courses are funded through alternative funding sources, including fees, if the school district is authorized to charge fees for these purposes.
- 6) Specifies that for purposes of this bill "alternative funding sources" include any sources of state or nonstate funding other than funding from a state apportionment as defined; defines "state apportionment" as funds received pursuant to Budget Act appropriations for adult education, but does not include funds received pursuant to Budget Act appropriations from other state or nonstate funding sources or the revenue limit apportionment made pursuant to Article 2 (commencing with §42238) of Chapter 7.
- 7) Authorizes the governing board of a community college district to charge a fee for classes it offers, except for classes in English and citizenship in order to ensure that community college districts (CCD) have the capacity to meet the demand for adult education courses for recent immigrants. Specifies that any CCD that chooses to charge a fee shall report the amount of the fee, the number of classes, and enrollment in those classes to the CCCCCO. Requires the CCCCCO to make the information available to the Legislative Analyst's Office (LAO). Requires the LAO to provide a summary and analysis of the reported information to the Assembly Budget, Education and Higher Education Committees, and the Senate Budget and Fiscal Review and Education Committees by January 1, 2016.
- 8) Removes, as of July 1, 2015, the following noncredit adult education courses and classes as eligible classes for state apportionment funding:
- a) Parenting, including parent cooperative preschools, classes in child growth and development and parent-child relationships;
 - b) Education programs for older adults;
 - c) Education programs for home economics; and,
 - d) Health and safety education.
- 9) Specifies that nothing in this bill shall limit the authority of a CCD to offer adult education programs and courses for older adults, in health and safety education or programs in parenting, or both, provided that those programs or courses are funded through alternative funding sources, including fees, if the CCD is authorized to charge fees for these purposes.
- 10) Specifies that for purposes of this bill "alternative funding sources" include any sources of state or nonstate funding other than funding from a state apportionment as defined; defines "state apportionment" as funds received pursuant to Budget Act appropriations for adult education, but does not include funds received pursuant to Budget Act appropriations from other state or nonstate funding sources.

- 11) Requires, by July 1, 2015, the Commission on Teacher Credentialing (CTC) and the Academic Senate for CCC to meet to review their current requirements for noncredit adult education and adult education instructors, and develop and submit recommendations to the appropriate policy and fiscal committees of the Legislature for modifying or establishing reciprocity standards for instructors of adult education courses.
- 12) Expresses that it is the intent of the Legislature to evaluate the performance accountability system established in this bill and to consider allocating base adult education funds and noncredit adult education funds to providers on the basis of a combination of enrollment and performance in courses offered.

EXISTING LAW:

- 1) Authorizes both the CCC and K-12 systems to offer and receive state funding for adult education courses (Education Code §41976 and §84757).
- 2) Authorizes the following classes and courses to be offered by the school districts and county superintendent of schools for apportionment purposes from the adult education fund and prohibits state apportionment to be made for any course or class not specified in law:
 - a) Adult programs in parenting, including parent cooperative preschools, and classes in child growth and development, parent-child relationships, and parenting;
 - b) Adult programs in elementary and secondary basic skills and other courses and classes required for the high school diploma;
 - c) Adult education programs in English as a second language;
 - d) Adult education programs for immigrant eligible for educational services in citizenship, English as a second language, and workforce preparation classes in the basic skills of speaking, listening, reading, writing, mathematics, decisionmaking and problem solving skills, and other classes required for preparation to participate in job specific technical training;
 - e) Adult education programs for adults with disabilities;
 - f) Adult short-term career technical education programs with high employment potential;
 - g) Adult programs for older adults;
 - h) Adult education programs for apprentices;
 - i) Adult programs in home economics; and,
 - j) Adult programs in health and safety education (EC §41976).
- 3) Prohibits the local governing board of a CCD maintaining a noncredit course from requiring an adult enrolled in such a course to pay nonresident tuition or any fee or charge of any kind

for a class in English and citizenship for foreigners, a class in an elementary subject, a class designated as granting high school credit to an individual without a high school diploma or other adult basic education programs and courses, as specified (EC §76380).

- 4) Authorizes a school district governing board to require a fee of an adult enrolled in a class for adults and prohibits the total of the fees required and revenues derived from average daily attendance from exceeding the estimated cost of maintaining such classes. Current law also prohibits the imposition of a charge of any kind for a class in English and citizenship or a class in an elementary subject, nor for any class which is designated as granting high school credit when the class is taken by a person who does not hold a high school diploma. To note: for a class in English and citizenship, a fee may be charged only until July 1, 2015 (EC §52612).
- 5) Prohibits the CCC from requiring an adult enrolled in a noncredit course to pay nonresident tuition or any fee or charge of any kind for a class in English and citizenship for foreigners, a class in an elementary subject, a class designated by the governing board as a class for which high school credit is granted when the class is taken by a person who does not hold a high school diploma, or any class offered by a CCD pursuant to Sections 8531, 8532, 8533, or 8534 (EC §76380).

FISCAL EFFECT: According to the Senate Appropriations Committee, savings in excess of \$26 million from the elimination of the specified courses and potentially significant up-front costs and ongoing workload for the CCCCO and the CDE to meet the coordination and reporting requirements.

COMMENTS: To note: this measure passed out of the Assembly Education Committee with a 6-0 vote on June 26, 2013.

Background. Adult education in California is part of a large, complex, and diverse multi-provider system. It is a vital and integral part of the larger educational system that provides adults with the skills and education that enable them to earn a high school diploma or a general educational development (GED) certificate, become American citizens, acquire specific job skills, learn English, and/or become independent and productive parents and members of their community.

Adult Education and Community College Noncredit. Adult education instruction is offered primarily at adult schools and community colleges. Some programs are also offered at community based organizations, libraries, correctional facilities, and the California Conservation Corps. California adult education schools offer the following ten programs:

- 1) Adult Basic Education;
- 2) English as a Second Language;
- 3) High School Diploma or Adult Secondary Education, including GED certification;
- 4) Citizenship Preparation;
- 5) Career Technical Education;

- 6) Adults with Disabilities;
- 7) Health and Safety;
- 8) Parent Education;
- 9) Home Economics; and,
- 10) Courses for Older Adults.

State apportionment. The majority of funding for adult education and community college noncredit comes from state apportionment. The state provides approximately 90 percent of the total funding for adult education and community college noncredit programs. State apportionment funds are distributed to adult schools through average daily attendance. Funding for community college noncredit is based upon a formula per Full Time Equivalent Student (FTES). The remaining financing, approximately 10 percent, is provided by federal funds.

Recommend changes in state funded adult education. In the last several years various reports have been published that have recommended that the state re-evaluate its current adult education structure.

In December 1998, the Joint Board Task Force on Noncredit and Adult Education (a joint task force comprised of the CCC Board of Governors and the California State Board of Education), published "Noncredit and Adult Education: Challenges, Opportunities, Changes." The report describes in detail local and state activities required to implement the following 12 recommendations: 1) clarify joint authorization to offer noncredit and adult education; 2) create a formal structure for joint development and implementation of policy for noncredit and adult education; 3) develop strategies for assuring student success; 4) redistribute unused existing resources; 5) encourage districts to make fair share distributions; 6) determine the cost of implementing endorsed changes; 7) equalize reimbursement rates within and between segments; 8) finalize and distribute program standards; 9) develop a coordinated data system; 10) clarify scope of authorized instructional categories; 11) permit reimbursement for work-based education; and, 12) establish reciprocity for instructors of noncredit and adult education.

In April 2003, the California Senate Office of Research (SOR) released, "Adult Education, Will it Meet the Challenges of the Future." SOR found that state funded adult education programs provide a vast array of services through multiple programs with inconsistent indicators of program outcomes. As demand for adult education services continues to grow and available resources are increasingly limited, policymakers and program operators should explore ways to deliver services more efficiently, based on objective data. The report suggest the following policy changes: 1) that the state should clarify the mission of adult education and re-focus its program offerings around fewer key programs; 2) identify a clear delineation of function between the two governing entities (CCCCO and CDE); 3) collect integrated data that represents the system as a whole; 4) distribute fiscal resources equitably throughout the state; 5) restructure state governance and local service delivery; and, 5) demonstrate the return on investment of adult education programs.

In December 2012, the LAO released, "Restructuring California's Adult Education System." The report gives the following policy changes: 1) focus on the six instructional programs most closely aligned with adult education's core mission; 2) clearly distinguish between adult education and collegiate education; 3) apply a consistent set of policies for faculty and students at adult schools and community colleges; 4) create a funding mechanism for adult education that promotes a coordinated system centered around student access and success; and, 5) collect same data on student enrollment and outcomes for both adult schools and community colleges (this will link the respective systems).

2013 Budget Act and budget trailer bill. In January, the Governor proposed in his 2013-14 budget shifting the coordination and administration of all adult education programs to the CCC. The K-12 adult education program would be eliminated, but CCC could contract with school districts to provide instruction. Due to concerns about the timing and structure of the proposal, the Governor's May revision of the budget withdrew the proposal and instead maintains the current system for two years while allocating \$30 million for planning grants awarded to regional consortia comprised of CCC and K-12 districts for the purpose of creating plans to integrate existing programs and determine how best to serve adult students within regions throughout the state. The budget adopted by the Legislature reduced the planning grants to \$25 million and adopted trailer bill language in AB 86 (Chapter 48, Statutes of 2013).

The trailer bill establishes the Adult Education Consortium Program with the following features:

- 1) Eligibility is limited to consortiums consisting of at least one CCD and at least one school district within the boundaries of a CCD. Consortia may include other entities providing adult education courses, such as correctional facilities, other local public entities and community-based organizations.
- 2) Planning grants must be used to create and implement a plan to better provide adults in its region with all of the following:
 - a) Elementary and secondary basic skills, including classes requires for a high school diploma or high school equivalency certificate.
 - b) Classes and courses for immigrants eligible for educational services in citizenship and English as a second language, and workforce preparation classes in basic skills.
 - c) Education programs for adults with disabilities.
 - d) Short-term career technical education program with high employment potential.
 - e) Programs for apprentices.
- 3) The regional consortium plan shall include an evaluation of existing levels and types of adult education programs in the region, current needs, how the parties that make up the consortium will integrate their programs to create seamless transitions into postsecondary education or the workforce, plans to address gaps identified in the current offerings and needs, plans to employ approaches to accelerate a student's programs toward his or her academic or career goals, plans to collaborate in the provision of ongoing professional development

opportunities, and plans to leverage existing regional structures, including local workforce investment areas.

The CCC Chancellor and the CDE shall submit a joint status report by March 1, 2014 and a final report by March 1, 2015. The intent of the Governor is to provide some level of additional funding to provide adult education services through the regional consortia beginning in 2015-16. The courses allowed to be provided through the consortia are consistent with the intent of this bill. CCC and K-12 districts can continue to offer their existing adult education programs separate from the regional consortia. CCCs may continue to earn revenue limit funding, but because categorical funds are eliminated through the Local Control Funding Formula, school districts choosing to continue their adult education programs would do so using their base funds.

Purpose of this bill. According to the author's office, this bill is based on the December 2012 LAO report (see above). The author states, "This bill begins the implementation of programmatic changes necessary to better align the bifurcated system of delivering adult education and non-credit adult education courses, and to begin a shift towards a more rational and coordinated funding approach for K-12 adult education and CCC noncredit adult education programs in California."

The two largest providers of adult education are school districts and the CCC, with, according to the LAO, the majority provided by the CCC (about 66% of FTES (525 hours of instructional hours) in 2009-10). The LAO argues that the two systems have unclear lines of responsibility, an overly broad mission, inconsistent state-level policies, lack of coordination among providers, and limited student data, despite serving the same student populations. The December report suggests that the system is in need of comprehensive restructuring.

The LAO suggests that while all classes have value, adult education programs should focus on the knowledge and skills needed to participate in civic life and workforce.

Non state apportionment classes. This bill eliminates, as of July 1, 2015, the authorization to use adult education apportionments to offer the following course and classes:

- 1) Parenting programs: According to the CDE, these are classes that promote the healthy development of children, high-quality family relationships, and children's success in school. Classes in this program help individuals and families meet the challenges of daily living through health and financial literacy to improve the quality of home and family life. Examples of classes offered include "Parenting the newborn-14 month old," and "Parenting an elementary school age child."
- 2) Older adult programs: According to the CDE, these are classes designed specially to deal with issues related to aging. These classes provide intellectual, physical, financial, and social stimulation and resources addressing the demands of a growing and active older population. Classes offered include "Exercise and fitness", "Ceramics", and "Understanding and using computers."
- 3) Home economics programs: These classes include "cooking", "knitting", and "wood working".

- 4) Health and safety education: These classes include basic CPR and first aid, aerobics, and weight management.

According to the CCCCCO, in 2008-09, the system wide enrollment for these four programs was approximately 624,836, but in 2009-10 (the last year comprehensive data is available), the system wide enrollment for these four programs was approximately 519,763. Despite an overwhelming lack of data, there is evidence that many CCDs and CCCs have moved many of the four programs over from the noncredit side to 100 percent fee based (also known as community or continuing education). Additionally, there is at least one CCC that as of fall 2013 will have 100 percent of these four programs on the fee based side. Lastly, according to the CCCCCO, for any current noncredit course that may be moved over to the for-credit side, adult education students who meet certain financial criteria would be eligible for the CCC Board of Governors Fee Waiver, thus not having to pay the current \$46/unit for their course.

Several organizations oppose the elimination of some or all of these courses, expressing concerns that their elimination will decrease access. These organizations state that these classes provide some adults a second chance and recent immigrants a first chance at a quality education. They also argue that courses such as parenting education offer adults critical life skills. Others oppose the elimination of programs for older adults.

Assessment. CCC and the K-12 adult schools use assessments for enrollment and placements. While the CCC is required to only use assessment tools approved by the CCCCCO for advisory purposes and not for placement of students in classes, adult schools can use any assessments they choose and can use them for minimum qualifications to enroll in a class or to determine appropriate class placement. This bill directs the CDE, in conjunction with the CCCCCO to develop assessment policy guidelines to be used by both systems for purposes of placement in CCC adult education and K-12 courses. The bill is silent on whether the assessment can be used to determine whether a student meets minimum qualification for enrollment.

Performance accountability. This bill requires the CCCCCO and the CDE to develop guidelines and procedures for all adult education funded providers for assessment, evaluation and data collection to document participant outcomes and placement, and other performance measures they deem appropriate, such as whether the student received a secondary school diploma, placement in a postsecondary educational institution, or became employed.

Concerns have been expressed that this provision is unnecessary and duplicative. States that receive federal WIA Title II funds are already required to collect performance data. The state received \$91 million in 2011-12 to provide adult elementary and secondary education and English as a second language classes. The CDE allocates its share of funding to providers based on performance points.

The CCCCCO already has an in-depth data collection system that was augmented by the Student Success Scorecard released in April this year. The scorecard was a recommendation of the Student Success Task Force, enacted by SB 1143 (Liu), Chapter 409, Statutes of 2010. The scorecard provides performance data that includes completion and persistence rates that can be broken down by student demographics.

The committee may wish to consider directing the CCCCCO and the CDE to develop and issue policy guidelines regarding a comprehensive performance accountability system for adult education courses.

Teacher qualifications. CCC adult education instructors are required to have a bachelor or master's degree depending on the type of course taught, while K-12 adult school teachers are required to have a teaching credential. The LAO believes that adult education instructors should be able to teach in either system. Requiring a teaching credential limits a CCC instructor's ability to teach in K-12 adult schools; the LAO recommends eliminating the requirement for adult school teachers to have a teaching credential. This bill directs the Academic Senate for the CCC and the CTC to review the requirements for noncredit adult education and adult school instructors, and develop and submit recommendations to the appropriate policy and fiscal committees of the Legislature by July 1, 2015, for modifying or establishing reciprocity standards for instructors of adult education courses.

Arguments in support. The Association of California School Administrators states, "SB 173 recognizes that both school districts and community colleges are critical to providing the breadth of programs to educate and train adult students and is critical to all reform efforts. SB 173 restores the coordination between the two systems to improve coordination and collaboration statewide."

Arguments in opposition. The Community College League of California states, "SB 173 would significantly decrease access for adult learners in California. The reduction of the number of courses that receive state funding will result in essential courses becoming inaccessible to the community. Adult education programs offer adults a second chance, and many recent immigrants a first chance to a quality education. Additionally, courses in such areas help adults learn critical life skills."

REGISTERED SUPPORT / OPPOSITION:

Support

Association of California School Administrators (based on prior version of the bill)
 California Adult Education Administrators Association (based on prior version of the bill)
 California Association of Area Agencies on Aging
 California Council for Adult Education (based on prior version of the bill)
 San Francisco Advisory Council to Aging and Adult Services

Opposition

AARP California (based on prior version of the bill)
 Age Well Senior Services (based on prior version of the bill)
 Association of California Community College Administrators (based on prior version of the bill)
 Association of Community and Continuing Education (based on prior version of the bill)
 California Commission on Aging (based on prior version of the bill)
 California Community College Educators of Older Adults (based on prior version of the bill)
 California Community College Independents (based on prior version of the bill)
 California Federation of Teachers – unless amended (based on prior version of the bill)
 California Park and Recreation Society (based on prior version of the bill)

California School Employees Association (based on prior version of the bill)
California Teachers Association (based on prior version of the bill)
Chaffey College (based on prior version of the bill)
Coast Community College District (based on prior version of the bill)
College of the Canyons (based on prior version of the bill)
College of Marin (based on prior version of the bill)
Community College League of California (based on prior version of the bill)
Congress of California Seniors – unless amended (based on prior version of the bill)
Faculty Association of California Community Colleges (based on prior version of the bill)
Fullerton College (based on prior version of the bill)
Gray Panthers Association of California Networks (based on prior version of the bill)
Imperial Valley College (based on prior version of the bill)
Los Rios Community College District (based on prior version of the bill)
Mendocino Community College District (based on prior version of the bill)
Merced College (based on prior version of the bill)
Mira Costa Community College District (based on prior version of the bill)
Mt. San Antonio College (based on prior version of the bill)
North Orange County Community College District (based on prior version of the bill)
Orange County Aging Services Collaborative (based on prior version of the bill)
Partners in Care Foundation (based on prior version of the bill)
Rancho Santiago Community College District (based on prior version of the bill)
Rio Hondo Community College District (based on prior version of the bill)
Riverside Community College District (based on prior version of the bill)
San Diego Community College District (based on prior version of the bill)
San Francisco Community College District (based on prior version of the bill)
Santa Monica College (based on prior version of the bill)
South Orange County Community College District (based on prior version of the bill)
State Center Community College District (based on prior version of the bill)
The Gerontological Society of America (based on prior version of the bill)
The Lucille and Edward R. Roybal Foundation – unless amended (based on prior version of the bill)
United Teachers Los Angeles (based on prior version of the bill)
Yosemite Community College District (based on prior version of the bill)
Numerous Individuals (based on prior version of the bill)

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