

Date of Hearing: June 10, 2014

ASSEMBLY COMMITTEE ON HIGHER EDUCATION
Das Williams, Chair
SB 173 (Liu) – As Amended: May 12, 2014

SENATE VOTE: SENATE VOTE: 36-1

SUBJECT: Education funding: adult education

SUMMARY: Requires the California Community Colleges Chancellor's Office (CCCCO) and the California Department of Education (CDE) to coordinate and issue guidelines and policy recommendations to the Legislature regarding adult education in the areas of assessment, performance accountability, teacher requirements, and fee policies; and, requires that the CCCC and the CDE annually report on the number and types of adult education courses being taught, including noncredit courses, and the number of students being served with funding provided, thus enhancing the existing reporting requirements pursuant to Education Code (EC) Section 84830. Specifically, this bill:

- 1) Requires the CCCC in conjunction with the CDE, to coordinate and issue assessment policy guidelines regarding assessments to be used by community college districts and school districts for purposes of placement in adult education courses offered, as specified.
- 2) Requires the CCCC and the CDE, as part of the report and recommendations required pursuant to EC Section 84830, to develop and issue policy recommendations to the Legislature that do the following:
 - a) Jointly establish and implement a comprehensive accountability system for adult education courses; and,
 - b) Develop recommendations for all adult education funded providers for assessment, evaluation, and data collection to document participant outcomes and placement and other measures they deem appropriate. Specifies that accountability measures may include receipt of a secondary school diploma or its recognized equivalent, placement in a postsecondary educational institution, training, and employment. Requires all funded programs to annually submit demographic and other student-level outcome information.
- 3) Requires the CCCC and the CDE, as part of the report and recommendations required pursuant to EC Section 84830, to coordinate and issue both of the following:
 - a) Recommendations and fee policy guidelines to be used by school districts and community college districts regarding the authority to charge fees for courses offered, as specified; declares that with respect to these recommendations and guidelines, it is the intent of the Legislature that:
 - i) Registration and course fees should be equivalent across all programs;
 - ii) Fees should not generate income beyond the cost of providing the courses; and,

- iii) Fees should not create a barrier to student access to adult education programs.
- b) Recommendations and policy guidelines regarding the use of a single student identifier to be used by school districts and community college districts for purposes of developing a comprehensive accountability system pursuant to the requirements of EC Section 84830.
- 4) Requires the CCCCCO, in conjunction with the CDE, to annually report on the number and types of courses being taught and the number of students being served with funding provided to the regional consortia, as established by EC Section 84830; and, specifies that the CCCCCO shall annually report on the number and types of noncredit courses being taught and the number of students being served with funding provided to the community colleges for the courses offered as specified.
- 5) Specifies that the CCCCCO shall identify any deficits in course offerings based upon levels, types, and needs for adult education programs identified in the consortia plans submitted as required under existing law.
- 6) 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.
- 7) Expresses that it is the intent of the Legislature to evaluate the guidelines for the accountability system established under current law and to consider allocating base adult education funds and noncredit adult education funds to providers on the basis of a combination of identified needs, enrollment, and outcomes in course offered as specified.
- 8) Defines "chancellor's office" as the Office of the Chancellor of the California Community Colleges, and "department" to mean the CDE.

EXISTING LAW:

- 1) Authorizes both the California Community Colleges (CCC) and K-12 systems to offer and receive state funding for adult education courses. 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; and, specifies that the following noncredit classes and courses offered by community college districts shall be eligible for state funding:
 - 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, decision-making 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 and § 84757).
- 2) Prohibits the local governing board of a community college district 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).
- 3) 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).
- 4) 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).
- 5) Charges the CCCCO and the CDE to jointly implement an adult education planning process; authorizes the CCCCO and the CDE to distribute \$25 million to regional consortia to develop plans with the shared goal of better serving the educational needs of California's adult learners; and, specifies that the following five areas are to be addressed in the plans:
- a) Elementary and secondary basic skills, including classes required for a high school diploma;
 - b) Classes and courses for immigrants in English as a second language, citizenship, and workforce preparations;
 - c) Education programs for adults with

disabilities; d) Short-term career technical education programs with high employment potential; and, e) Programs for apprentices.

Additionally, current law requires the CCCCO and the CDE on or before March 1, 2014 to submit a joint report to the Governor and the Legislature to include, but not necessarily be limited to the following: a) the status of the developing regional consortia across the state; and, b) the status and allocation of grant awards made to the regional consortia. The CCCCO and the CDE on or before March 1, 2015, shall submit a joint report to the Governor and the Legislature to include, but not be limited to all of the following: a) The plans developed by the regional consortia across the state; and, b) Recommendations for additional improvements in the delivery system serving adult learners. Lastly, current law states that the Legislature intends to work toward developing common policies related to adult education affecting adult schools at community colleges and local educational agencies, including policies on fees and funding levels; and, to provide additional funding in the 2015-16 fiscal year to the regional consortia to expand and improve the provision of adult education (EC § 84830).

FISCAL EFFECT: Unknown

COMMENTS: To note: the May 28, 2013 version of this bill 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.

Assembly Bill 86 (Section 76, Article 3). In January 2013, 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 2013 revision of the budget withdrew the proposal and instead maintained 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).

AB 86 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. Consortiums 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 (discussed below) 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. 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.

To note, a concern has been expressed that AB 86 cut funding for older adults and community education. The issue of funding for older adults and community education programs is outside the scope of AB 86 and this bill.

This bill enhances the reporting requirements of the AB 86 report due on March 1, 2015, to the Governor and the Legislature.

Status report. According to the April 2014 status report, entitled "Adult Education Regional Planning" by the CCCC and the CDE, AB 86 has provided a valuable opportunity to "rethink and redesign an educational system establishing linkages for adult learners." According to the report, the AB 86 regional consortia consist of community college districts and school districts within the 72 community college district boundaries. The report noted that the following six areas are not covered by the 72 community college district boundaries: Alpine County, Amador County, Mariposa County, parts of Modoc County, Mono County, and Sierra County. The CCCC and the CDE have taken this under review and will provide solutions to fill the geographical gaps.

Additionally, the report found that AB 86 indicates the intent of the Legislature is to provide additional funding in the 2015-16 fiscal year to the regional consortia to expand or improve the provision of adult education, there is no mechanism in place to do so. The report states, "The absence of a funding mechanism that identifies a funding model impacts the long-range planning processes designed to address the five required areas of focus in AB 86."

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.

Recommended 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).

This bill begins the restructuring process proposed by the LAO by addressing some of the programmatic changes necessary to align the system of adult education services and to begin a more coordinated and rational approach to delivery and funding.

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.

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 CCCCCO and the CDE to develop assessment policy guidelines to be used by both systems for purposes of placement in CCC adult education and K-12 courses.

Accountability. This bill, as part of the AB 86 report, due March 1, 2015, requires the CCCCCO and the CDE to jointly 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.

The CCCCCO already has an in-depth data collection system that was augmented by the Student Success Scorecard released in April 2013. 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.

Fee policies. This bill, as part of the AB 86 report, due March 1, 2015, requires the CCCCCO and the CDE to coordinate and issue recommendations and fee policy guidelines to be used by community college districts and school districts regarding the authority to charge fees for courses offered as specified.

A concern has been raised that as presently drafted the language assumes that fees will be assessed for these courses. To address this concern **staff recommends the bill be amended to reflect the following:**

(c) The chancellor's office, in conjunction with the department, and as a part of the report and recommendations required pursuant to paragraph (1) of subdivision (f) of Section 84830, shall coordinate and issue both of the following:

(1) Recommendations and fee policy guidelines to be used by school districts and community college districts regarding the authority to charge fees, **including whether or not fees should be assessed,** for courses offered pursuant to Section 84830.

What is being offered? This bill requires the CCCCCO, in conjunction with the CDE to annually report on the number and types of courses being taught, and the number of students being serviced with funding provide to the regional consortia and with funding provided to the CCCs for all noncredit courses offered. Additionally, this bill requires the CCCCCO to identify any deficits in course offerings based upon levels, types, and needs for adult education programs as identified in the consortia plans submitted as part of the AB 86 planning process.

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.

REGISTERED SUPPORT / OPPOSITION:

Support

California Adult Education Administrators Association
California Council for Adult Education

Opposition

None on file based on this version of the bill.

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