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AB 1491: Adult Education Funding Accountability FACT SHEET

Co-sponsors:

CA Adult Education Administrators Assoc.

CA Council for Adult Education

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SUMMARY

Adult education is an under-resourced sector of the California education system that serves some of our state's most marginalized students. Despite great unmet need in this area, much of the funding allocated to the California Adult Education Program (CAEP) is left unspent from year to year.

AB 1491 establishes clear criteria, accountability, and a cap on year-to-year 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.

BACKGROUND

Adult education receives ongoing funding through the state budget each year. The money is allocated through the CAEP to California's 71 regional adult education consortia, which are comprised of both K-12 adult schools and community colleges. Consortia members provide adult students with access to basic skills, English as a second language, high school equivalency, and short term career retraining.

It is crucial that the resources the state invests in adult education are used effectively to meet the needs of these underserved students. However, the data shows that a significant portion of the limited CAEP dollars is carried over by individual consortium members from year to year. Instead of being used to serve students, scarce resources are left unspent, often while other members of the same consortium have insufficient funds to operate their programs at full potential and meet the needs of their communities.

In 2020-21, the total estimated carryover (the amount of funds left unspent and carried over from one fiscal year to the next) was more than \$130 million, or over 24% of the 2020-21 CAEP allocation of \$546 million. For context, at a rough average cost of \$25,000 per course, these unspent funds would be enough to offer more than *five thousand* additional ESL courses serving up to *260,000 additional adult students* for one academic year. When looking at individual consortia members, the carryover percentage is even greater -- more than 20 agencies carried over *more than 100%* of their allocated funds in 2020-21.

While current law does not require CAEP funds to be spent within a specific timeframe, the Legislature and Administration provide over \$500 million each year for adult education with the expectation that it will be used to serve students in that fiscal year. While some circumstances may justifiably result in some minimal carryover, the data indicates that despite the great unmet need in California, a significant portion of the yearly allocation is being carried over each year without a consortium-approved plan for doing so.

SOLUTION

AB 1491 would establish clear criteria, accountability, and a maximum threshold for funding carryover by consortium members, while allowing for exceptions if the carryover is part of a consortium-approved plan.

In years when the CAEP may see a budget cut, AB 1491 would ensure that local consortia have the ability to consider redistributing surplus carryover funding to help mitigate the cuts to consortium members who have spent their full funding on serving the need in their community/region.

This bill honors local decision-making while implementing a state benchmark to ensure the maximum amount of CAEP funding is used to support the growing and immediate needs of students in the budget year that the funds were allocated.