

AMENDED IN ASSEMBLY MARCH 30, 2021

AMENDED IN ASSEMBLY MARCH 25, 2021

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 1491

Introduced by Assembly Member McCarty

February 19, 2021

An act to amend Sections 84901 and 84914 of, and to add Section 84914.5 to, the Education Code, relating to adult education.

LEGISLATIVE COUNSEL'S DIGEST

AB 1491, as amended, McCarty. Adult education: consortia: carryover of allocated funds.

Existing law establishes the Adult Education Program under the administration of the Chancellor of the California Community Colleges and the Superintendent of Public Instruction. Existing law requires the chancellor and the Superintendent, with the advice of the executive director of the State Board of Education, to divide the state into adult education regions and approve one adult education consortium in each of those regions. Existing law authorizes a community college district, school district, or county office of education, or a combination of these entities in a joint powers authority, to be members of an adult education consortium. Existing law requires, as a condition of receipt of an apportionment from the program, that an adult education consortium approve a distribution schedule for apportionment to members of the consortium.

This bill would provide requirements and procedures to be followed when a member of an adult education consortium, or the consortium itself, has a carryover, as defined, of funds from the immediately

preceding fiscal year. The bill, on and after July 1, 2022, with certain exceptions, would generally prohibit a member of an adult education consortium and the consortium itself from carrying over more than 15% of its allocation from the immediately prior fiscal year. The bill would authorize the consortium to reduce the annual allocation for a member if the consortium finds that the member has unspent funds remaining from the immediately prior fiscal year. The bill would require a consortium member to certify its expenditures for the immediately prior fiscal year on or before September 1, and for the consortium itself to do the same on or before ~~October 31~~. *September 30*.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 84901 of the Education Code is amended
2 to read:
3 84901. For purposes of this article, the following definitions
4 shall apply, unless otherwise specified:
5 (a) “Adult” means a person 18 years of age or older.
6 (b) “Carryover” means the annual amount of unspent adult
7 education program funds from prior fiscal years expressed as a
8 percentage of the current fiscal year’s allocation.
9 (c) “Consortium” means an adult education consortium approved
10 pursuant to this article.
11 (d) “Executive director” means the executive director of the
12 State Board of Education.
13 (e) “Program” means the Adult Education Program established
14 by Section 84900.
15 SEC. 2. Section 84914 of the Education Code is amended to
16 read:
17 84914. (a) As a condition of receipt of an apportionment from
18 the program, a consortium shall approve a distribution schedule
19 that includes both of the following:
20 (1) The amount of funds to be distributed to each member of
21 the consortium for that fiscal year.
22 (2) A narrative justifying how the planned allocations are
23 consistent with the adult education plan.
24 (b) (1) For any fiscal year for which the chancellor and the
25 Superintendent allocate an amount of funds to the consortium

1 greater than the amount allocated in the prior fiscal year, the
2 amount of funds to be distributed to a member of that consortium
3 shall be equal to or greater than the amount distributed in the prior
4 fiscal year, unless the consortium makes at least one of the
5 following findings related to the member for which the distribution
6 would be reduced:

7 (A) The member no longer wishes to provide services consistent
8 with the adult education plan.

9 (B) The member cannot provide services that address the needs
10 identified in the adult education plan.

11 (C) The member has been consistently ineffective in providing
12 services that address the needs identified in the adult education
13 plan and reasonable interventions have not resulted in
14 improvements.

15 ~~(D) The member has unspent funds remaining from the~~
16 ~~immediately prior fiscal year that exceeds a percentage of the~~
17 ~~current fiscal year's allocation that was previously agreed to by~~
18 ~~the members of the consortium.~~

19 ~~(2) A member shall not maintain a carryover of more than 15~~
20 ~~percent for more than two fiscal years.~~

21 ~~(3) On or after July 1, 2022, the members of the consortium~~
22 ~~may vote on whether to reduce the allocation of a member that has~~
23 ~~exceeded the carryover limit of 15 percent in the immediately prior~~
24 ~~fiscal year, and in such an instance, each member of the consortium~~
25 ~~shall have one vote.~~

26 ~~(4)~~

27 (2) (A) For any fiscal year for which the chancellor and the
28 Superintendent allocate an amount of funds to the consortium less
29 than the amount allocated in the prior *fiscal* year, the amount of
30 funds to be distributed to a member of that consortium shall not
31 be reduced by a percentage greater than the percentage by which
32 the total amount of funds allocated to the consortium decreased,
33 unless the consortium makes at least one of the following findings
34 related to the member for which the distribution would be reduced
35 further:

36 ~~(A)~~

37 (i) The member no longer wishes to provide services consistent
38 with the adult education plan.

39 ~~(B)~~

1 (ii) The member cannot provide services that address the needs
2 identified in the adult education plan.

3 ~~(C)~~

4 (iii) The member has been ineffective in providing services that
5 address the needs identified in the adult education plan and
6 reasonable interventions have not resulted in improvements.

7 (iv) *The member has unspent funds remaining from the*
8 *immediately prior fiscal year that exceeds a percentage of the*
9 *current fiscal year's allocation that was previously agreed to by*
10 *the members of the consortium.*

11 (B) *For any fiscal year for which the chancellor and the*
12 *Superintendent allocate an amount of funds to the consortium less*
13 *than the amount allocated in the prior fiscal year, both of the*
14 *following shall apply:*

15 (i) *A member of that consortium shall not maintain a carryover*
16 *of more than 15 percent for more than two fiscal years.*

17 (ii) *On or after July 1, 2022, the members of that consortium*
18 *may vote on whether to reduce the allocation of a member that*
19 *has exceeded the carryover limit of 15 percent in the immediately*
20 *prior fiscal year; and in such an instance, each member of the*
21 *consortium shall have one vote.*

22 (c) A distribution schedule shall also include preliminary
23 projections of the amount of funds that would be distributed to
24 each member of the consortium in each of the subsequent two
25 fiscal years. The preliminary projections shall not constitute a
26 binding commitment of funds.

27 SEC. 3. Section 84914.5 is added to the Education Code, to
28 read:

29 84914.5. (a) On or before September 1 of each fiscal year, a
30 member of a consortium shall certify its expenditures for the
31 immediately prior fiscal year.

32 (b) On and after July 1, 2022, and except as provided in
33 subdivision (b) of Section 84914, all of the following shall apply:

34 (1) No more than 15 percent of a member's annual allocation
35 may be carried over into the next fiscal year by a member of a
36 consortium unless a written plan for expenditure aligned with the
37 adult education plan is approved by the members of the consortium
38 by October 31 of that fiscal year in accordance with the
39 consortium's governance process.

1 (2) In any fiscal year, a member's plan to exceed 15 percent
2 carryover from the immediately prior fiscal year shall be submitted
3 to the consortium on or before September 30. The plan shall
4 become effective only upon its approval by the consortium.

5 (3) In any fiscal year, a member with a carryover exceeding 15
6 percent without a plan approved pursuant to this subdivision shall
7 be deemed ineffective, and its allocation shall be reduced in the
8 next fiscal year by the amount equal to the amount over 15 percent
9 for reallocation to other members of the consortium.

10 (c) (1) On or before ~~October 31~~ *September 30* of each fiscal
11 year, a consortium shall certify its expenditures for the immediately
12 prior fiscal year.

13 (2) On and after July 1, 2022, both of the following shall apply:

14 (A) No more than 15 percent of the consortium's annual
15 allocation may be carried over to the next fiscal year.

16 (B) A consortium that carries over more than 15 percent of its
17 annual allocation shall have its allocation reduced in the next fiscal
18 year by the amount equal to the amount over 15 percent that the
19 consortium carried over in the immediately prior fiscal year.