

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: 06/20/2022
POSITION: Oppose

BILL NUMBER: SB 70
AUTHOR: Rubio, Susan

BILL SUMMARY: Elementary education: kindergarten.

Beginning with the 2024-25 school year, this bill requires a student to attend one year of kindergarten before the student may be admitted to first grade.

Currently, kindergarten attendance is not compulsory, but local educational agencies serving elementary school students are required to offer kindergarten and admit any eligible child.

FISCAL SUMMARY

By increasing the number of students in public school, this bill increases apportionment costs for the Local Control Funding Formula (LCFF) by \$194 million to \$268 million ongoing Proposition 98 General Fund beginning in fiscal year 2024-25. The Proposition 98 minimum guarantee is likely to remain in a Test 1 calculation under the current forecast, meaning it is not adjusted for changes in attendance, even with the increase in average daily attendance (ADA) resulting from this bill. Therefore, the increased cost to the LCFF from this bill would not be offset by a proportionate increase in available Proposition 98 funding and would crowd out available funding for other K-12 Proposition 98 funded programs.

This estimate assumes that kindergarten ADA increases in the range of 14,000 to 20,000 beginning in 2024-25. Approximately 83 percent of age-eligible students are enrolled in public kindergarten each year, with an additional estimated 10 to 12 percent attending private school, and the remaining not attending any kindergarten. This estimate assumes that children not currently attending kindergarten are brought into the public school system in the same proportion as current kindergarten students participate in public school; however, the actual increase in average daily attendance may be greater or lower.

We note that although this bill creates a state-mandated program, the costs associated with the required services would be funded through LCFF and special education entitlements, which will offset the mandate.

COMMENTS

The Department of Finance is opposed to this bill for the following reasons:

- This bill is estimated to increase ongoing Proposition 98 General Fund costs by the low hundreds of millions of dollars annually by introducing approximately 14,000 to 20,000 new students into public school, while likely not increasing the Proposition 98 minimum guarantee calculation by a proportionate amount, thereby redirecting available funds away from other K-12 programs.
This bill creates local cost pressures for school districts to increase staffing and to expand

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SB 70

**COMMENTS** (continued)

kindergarten classroom infrastructure. Kindergarten classrooms have unique building requirements that can be more costly to build.

- It is unclear whether requiring a year of kindergarten will improve student outcomes. To the extent that children who currently do not attend kindergarten are enrolled in preschool, childcare, or other developmental settings that are more appropriate for their social development or family situation, requiring a year of kindergarten may not significantly improve their academic success.
- Although this bill specifies that a student may not be admitted into the first grade without having completed one year of Kindergarten, it is unclear if children who are eligible for transitional kindergarten (TK) would be required to attend both TK and traditional kindergarten or traditional kindergarten only. If this bill is interpreted to mandate both TK and traditional kindergarten attendance, then the costs could be significantly higher. Lastly, the bill does not specify whether or not private kindergarten programs would meet the bill's requirements.

Full time education is compulsory in California for six-year-old students, but current law makes it a local decision, with parental input, whether the six-year-old student will be enrolled in kindergarten or first grade. For first grade enrollment, California law requires a child to be six years old on or before September 1 of the applicable school year to be legally eligible for first grade.

This bill makes kindergarten attendance mandatory. The enrollment of additional students into kindergarten could affect other programs that may currently be serving these children. Children who are too young to be admitted to kindergarten may opt into other types of early education programs, such as TK or daycare programs, which differ from kindergarten by the type of curriculum offered, length of program, and other important elements that parents may consider when choosing early education for their children.

Transitional kindergarten is defined as the first of a two-year kindergarten program, and is designed for children younger than the age of five

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)						Fund Code	
	LA	(Dollars in Thousands)							
	CO	PROP	FC	2022-2023	FC	2023-2024	FC	2024-2025	
	RV	98	FC						
6100/Dep of Educ	LA	Yes	C	132,000-182,000	C	132,000-182,000	C	132,000-182,000	0001