



## Frequently Asked Questions

### Using Proposition 64 – the Control, Regulate and Tax Adult Use of Marijuana Act of 2016 to Increase Access To and Quality Of After-School Programs

#### **Why is AB 1744 (McCarty) needed?**

The Yes on Prop. 64 ballot argument and several campaign advertisements prominently featured after-school programs as a prime beneficiary of Prop. 64 tax revenue. However, Prop. 64 does not explicitly list after-school programs as an allowable use of funding, despite the promise made to voters and a proven track record of preventing and reducing substance use in youth.

While after-school programs should qualify for funding under Prop. 64's general language, expressly singling out after-school programs makes clear they are a permissible use and should help ensure that after-school programs are considered a priority and receive some Prop. 64 funding. Prop. 64 provides that a portion of the tax revenue be used "for programs for youth that are designed to educate about and to prevent substance use disorders and to prevent harm from substance use." These programs may include, but are not limited to, "Grants to schools to develop and support Student Assistance Programs, or other similar programs, designed to prevent and reduce substance use, and improve school retention and performance, by supporting students who are at risk of dropping out of school...."

Research shows that drug use increases in the unsupervised after-school hours and that after-school program participation decreases drug use. After-school programs help prevent substance use by not only keeping kids supervised, but also building protective or resiliency factors such as school connectedness, self-control, self-confidence, and quality peer relationships. These protective and resiliency factors make them less likely to use drugs.

#### **Would all after-school programs be eligible to receive Prop. 64 tax revenue?**

AB 1744 expressly supports funding for After School Education and Safety (ASES), 21<sup>st</sup> Century Community Learning (21<sup>st</sup> CCLC), or 21<sup>st</sup> Century High School After School Safety and Enrichment for Teens (ASSETs) programs. Current grantees would be eligible and encouraged to apply for funding, and funding could be available to establish more of these programs. These programs target high-need communities, which are among those most impacted by the war on drugs. Currently, 98% of the 4,000 ASES programs operate in low-income communities. Among these 3 programs, the average percentage of students eligible for free and reduced-price meals is over 80%.

After-school programs would not need to create a new program to qualify, only continue to offer the same broad array of academic and enrichment activities, including activities that prevent and reduce substance use, and improve school retention and performance.

Other after-school programs would likely be eligible funding under the more general provisions or Prop. 64.

### **How much will after-school programs receive?**

AB 1744 does not guarantee a specific amount of funding for after-school programs; it only specifies after-school programs as an eligible use of Prop. 64 tax revenue from the Youth Education, Prevention, Early Intervention and Treatment account.

The Legislative Analyst's Office estimated that Prop. 64 could generate additional state and local tax revenues in the range of high hundreds of millions of dollars to over \$1 billion annually. However, the Youth Education, Prevention, Early Intervention and Treatment account is set to receive 60% of state tax revenue, and only after funding is set aside for several other costs (e.g., implementation, research, community reinvestment, California Highway Patrol). Therefore, funding for after-school is not expected to materialize until 2019 at the earliest.

### **Why do you need a budget augmentation for ASES in 2018-19 if AB 1744 becomes law?**

Prop. 64 and AB 1744 have great potential to sustain thousands of quality after-school programs and ensure more at-risk students have access, but any funding is at best a year away and, even with AB 1744, there is no guarantee after-school programs will receive Prop. 64 funding.

Right now, After School Education and Safety (ASES) programs are stretched to their breaking point. Despite increases in the state minimum wage (38%) and cost of living (25%), until 2017 the state had not increased the budget for ASES since 2007. Last year's \$50 million increase provided needed relief, but was only enough to raise the Average Daily Attendance rates for ASES by 9%, from \$7.50 to \$8.19. The average elementary school ASES program still faces nearly a \$39,000 deficit this school year.

As the state minimum wage continues to rise, without additional state funding the funding gap for programs will only grow larger. According to a December 2017 field survey, representing more than 200 school districts, if funding does not increase over the next two years, nearly a quarter of ASES programs in the state could close their doors within two years, denying access to approximately 91,000 students. This adds up to more dropouts, higher crime and substance use, and more of our most vulnerable students being left behind.

The budget request for ASES will help ensure high-quality programming and keep program doors open. Prop. 64 funds eventually can and should help support these programs, but immediate support through the 2018-19 budget is still necessary.