

May 7, 2002

Hon. Bill Lockyer
Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

Attention: Ms. Tricia Knight
Initiative Coordinator

Dear Attorney General Lockyer:

Pursuant to Elections Code Section 9005, we have reviewed the proposed statutory initiative involving community service requirements for high school pupils (File No. SA2002RF0014).

Proposal

This measure requires pupils to do community service in order to receive a high school diploma. Specifically, the measure contains the following requirements:

- ***Community Service.*** The measure requires pupils to complete 40 hours of community service for an “acceptable” nonprofit organization or governmental entity in order to receive a high school diploma, starting in the 2005-06 school year.
- ***Acceptable Nonprofit Institutions.*** The measure requires determination of which nonprofit institutions are acceptable for purposes of the community service requirement.
- ***List of Institutions.*** The measure requires the Secretary of State to compile and maintain a list of these acceptable institutions.
- ***Local Administrative Activities.*** The measure “effectively” requires local administrative activities such as notifying pupils and parents of this requirement, coordinating the program, and verifying that its requirements have been met.

Fiscal Effect

State Costs

If enacted by the voters, this measure would create a one-time General Fund cost of \$300,000 to \$400,000 for the state to establish a list of acceptable nonprofit organizations (in the 2004-05 fiscal year) and an annual cost of \$80,000 thereafter to maintain the list.

Local Costs

The local costs associated with this initiative would depend on how the 40-hour community service requirement is implemented. Local education agencies (LEAs) would appear to have a great deal of flexibility in how they implement the requirements under the terms of the initiative. For example, LEAs could incorporate the requirements into the instructional day as a required class, taking the place of an elective, or they could require pupils to do community service outside of the existing instructional day. In addition, LEAs could allow pupils to satisfy these requirements on or off campus.

If LEAs chose to allow pupils to meet the requirements on campus or on the students' time, this measure would have minimal fiscal effect at the local level. On the other hand, if LEAs required pupils to perform community service as part of an instructional day and the students had to travel off campus for some or all of this service, LEAs could incur significant transportation costs. However, given the level of flexibility afforded in the proposed language, it is most likely that LEAs would decide to satisfy these requirements in a less costly manner.

Regardless of how LEAs choose to implement these requirements, schools probably would need to designate a coordinator to notify parents, answer questions, and ensure this new requirement is being met. Administering the community service requirement in this way would impose additional local costs of approximately \$7 million annually statewide.

Summary of Fiscal Effects

This measure would have the following fiscal effects:

- One-time General Fund cost of \$300,000 to \$400,000 for the state to establish a list of acceptable nonprofit organizations (in the 2004-05 fiscal year) and an annual cost of \$80,000 thereafter to maintain the list.
- Annual costs to school districts and county offices of education probably in the range of \$7 million statewide, beginning in 2005-06.

Sincerely,

Elizabeth G. Hill
Legislative Analyst

B. Timothy Gage
Director of Finance