

COMMUNICATION FROM CHAIR, HEALTH, MENTAL HEALTH, AND EDUCATION COMMITTEE relative to a pilot Child Savings Account (CSA) program for Los Angeles Unified School District (LAUSD) students.

Recommendations for Council action:

1. INSTRUCT Housing and Community Investment Department (HCID) to review funding opportunities available to hire a consultant to provide comprehensive analysis of the economic benefits, structure, financing, management, and recommendations for implementing a pilot CSA program in Los Angeles.
2. AUTHORIZE the HCID to release a Request for Proposals, subject to funding authorization, for a comprehensive analysis of the benefits, structure, financing, management, and recommendations for implementing a pilot CSA program.

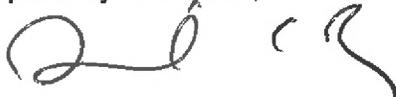
Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no impact to the General Fund at this time. Should the Council decide to pursue the development of a CSA program in Los Angeles, any associated costs for a consultant to develop a pilot program would be considered as part of the development of the 2017-18 budget. The costs for implementing a pilot and full program should be considered during future budget processes. Providing an initial deposit of \$50 to approximately 44,000 kindergarten students in LAUSD schools within the City and a \$50 matching program, would cost approximately \$2.7 million each year (based on constant enrollment) and \$35.1 million over the first thirteen years, while a LAUSD-wide program for 55,000 students would cost an estimated \$3.4 million each year (based on constant enrollment) and \$44.2 million over the first thirteen years. These costs exclude program administration fees and costs. The recommendations in this report are in compliance with the City's Financial Policies in that the City will consider General Fund requests for new or expanded programs during the course of the annual budget process.

Community Impact Statement: None submitted.

Summary:

At a regular meeting held on May 8, 2017, the Health, Mental Health, and Education Committee considered a CAO report relative to implementing a pilot CSA program for students. Staff from the CAO provided background information on the subject. After an opportunity for public comment, the Committee recommended to approve the CAO report recommendations with a modification to review funding opportunities available for consultant services. This matter is now submitted to the Council for consideration.

Respectfully Submitted,



COUNCILMEMBER DAVID E. RYU, CHAIR
HEALTH, MENTAL HEALTH, AND EDUCATION COMMITTEE

<u>MEMBER:</u>	<u>VOTE:</u>
RYU	YES
BUSCAINO	ABSENT
ENGLANDER	ABSENT

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