

May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items and Reimbursements, Support and Local Assistance, State Department of Education

Federal Funds Adjustment

Item 6100-001-0890, Support, Stronger Connections Technical Assistance Grant Program (Issue 228)—It is requested that Schedule (1) of this item be increased by \$570,000 federal funds in fiscal year 2025-26, \$676,000 in 2026-27, and \$260,000 in 2027-28 to support the administration of the Stronger Connections Technical Assistance Grant Program, which provides evidence-based technical assistance to high-need local educational agencies to address school violence issues and promote a positive school climate.

It is further requested that provisional language be added as follows to conform to this action:

37. Of the funds appropriated in Schedule (1), \$570,000 is available in the 2025-26 fiscal year, \$676,000 in 2026-27 and \$260,000 in 2027-28, to support the Stronger Connections Technical Assistance Grant Program.

Item 6100-001-0890, Support, Special Education (Issues 381, 382, and 396)—It is requested that Schedule (1) of this item be increased by \$983,000 ongoing federal Individuals with Disabilities Education Act (IDEA) funds to reflect: (1) an ongoing increase of \$337,000 and 2 positions to address the federal monitoring requirements for local educational agencies with fewer than 100 students with disabilities; (2) an ongoing increase of \$146,000 and 1 position to address the federal monitoring requirements for individualized education program data; and (3) a one-time increase of \$500,000 to support the translation of the digitized statewide individualized education program template.

It is further requested that provisional language be added as follows to conform to these actions:

38. Of the funds appropriated in Schedule (1), \$337,000 federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) fund and 1 position is available to support the federally required monitoring of small local educational agencies.

39. Of the funds appropriated in Schedule (1), \$146,000 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) fund and 1 position is available to support the federally required monitoring of individualized education program data.

41. Of the funds appropriated in Schedule (1), \$500,000 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) fund is available to support the translation of the digitized statewide individualized education program template into the top 10 most commonly spoken languages in California other than English, as required by Section 56348 of the Education Code. These funds shall be available for encumbrance until June 30, 2028.

Item 6100-001-0890, Support, Office of Administrative Hearings (Issue 385)—It is requested that Schedule (1) of this item be increased by \$6,212,000 one-time federal IDEA funds to support increased costs associated with special education dispute resolution services. The Department contracts with the Office of Administrative Hearings to provide special education services, which include hearings, mediations, and related due process activities required by both state and federal law. The number of claims filed and cost per case have increased over the past few years.

It is further requested that provisional language be amended as follows to conform to this action:

“4. Of the funds appropriated in this item, ~~\$13,514,000~~ \$19,726,000, of which \$6,212,000 is available on a one-time basis, of federal Individuals with Disabilities Education Act fund for dispute resolution services, including mediation and fair hearing services, provided through contract for the special education programs. The State Department of Education shall ensure the quarterly reports that the contractor submits on the results of its dispute resolution services reflect year-to-date data and final yearend data, includes the same information as required by Section 56504.5 of the Education Code, and includes the following information:

- (a) The total number of cases won by each side.
- (b) The number of issues decided in favor of each side in split decisions.
- (c) The number of cases in which schools and parents were represented by attorneys.
- (d) The number of requests for due process initiated by parents that were dismissed for insufficiency.
- (e) The number of pupils of color who accessed the system.
- (f) The number of non-English-speaking people who used the system.
- (g) The length of each hearing.
- (h) The number of hearing requests initiated by parents.
- (i) The number of hearing requests initiated by school districts.
- (j) The school district of each parent-initiated request for due process.
- (k) The issues, within special education, that generated due process hearing requests during the quarter.
- (l) The disabilities that generated due process hearing requests during the quarter.

- (m) The age groups (preschool, primary, junior high, high school) that generated hearing requests.
- (n) The number of requests received during the quarter.
- (o) The number of hearing decisions that were appealed to a court during the quarter.
- (p) The number of cases that were completely resolved in mediation by agreement.
- (q) The number of cases that were completely resolved in a mandatory resolution session."

Item 6100-001-0890, Support, Part A of Title II Supporting Effective Instruction Federal Grant (Language Only)—It is requested that Schedule (1) of this item be amended to include language to align provisional authority with the federal Title II, Part A grant award.

It is further requested that provisional language be amended as follows to conform to this action:

"8. Of the funds appropriated in this item, up to ~~\$1,264,000~~ \$1,506,000 is available from federal Title II funds to support Title II-related priorities identified in the California State Plan adopted by the State Board of Education pursuant to the federal Elementary and Secondary Education Act of 1965, as amended by the federal Every Student Succeeds Act (P.L. 114-95)."

"16. Of the funds appropriated in this item, ~~\$150,000~~ \$226,000 in federal Title II funds and 1 position is available for the State Department of Education to administer the 21st Century California School Leadership Academy, in consultation with the State Board of Education and in collaboration with the California Collaborative for Educational Excellence."

Items 6100-001-0890 and 6100-117-0890, Support and Local Assistance, Comprehensive Literacy State Development Grant 2024 (Issues 509 and 513)—It is requested that Schedule (1) of Item 6100-001-0890 be increased by \$475,000 federal Comprehensive Literacy State Development Grant funds annually through 2028-29 for the Department to implement the federal Comprehensive Literacy State Development Grant.

It is further requested that provisional language be added as follows to conform to this action:

42. Of the funds appropriated in Schedule (1), \$475,000 is provided annually from fiscal year 2025-26 through fiscal year 2028-29 for the State Department of Education to support the Comprehensive Literacy State Development grant.

It is also requested that Item 6100-117-0890 be added in the amount of \$12,635,000 federal Comprehensive Literacy State Development Grant funds for grants to eligible local educational agencies in fiscal year 2025-26 and that provisional language be added.

It is further requested that Item 6100-117-0890 be added as follows to conform to this action:

6100-117-0890—For local assistance, State Department of Education, payable from the Federal Trust Fund..... 12,635,000

Schedule:

(1) 5205011- Comprehensive Literacy Development Grant 12,635,000

Provisions:

1. The State Department of Education shall support the integration of the federal Comprehensive Literacy State Development Grant into the Literacy Roadmap from fiscal year 2025-26 through fiscal year 2028-29.

Items 6100-001-0890 and 6100-134-0890, Support and Local Assistance, Federal Title I, Comprehensive Support and Improvement (CSI) Funds (Issues 508, 512 and 514)—It is requested that Schedule (1) of Item 6100-001-0890 be increased by \$465,000 ongoing federal Title I funds for the Department to reflect a shift of CSI funding from local assistance to support.

It is further requested that provisional language be amended as follows to conform to this action:

"14. Of the amount provided in Schedule (1), ~~\$381,000~~439,000 is available for 2 existing positions in the Student Achievement and Support Division to support the work of the State Department of Education, the California Collaborative for Educational Excellence, lead county offices of education, and stakeholders to inform the work of agencies within the statewide system of support pursuant to paragraph (2) of subdivision (a) of Section 52073 of the Education Code."

"25. Of the amount provided in Schedule (1), ~~\$391,000~~474,000 is available for 3 positions in the School Fiscal Services Division and ~~\$143,000~~249,000 is available for 1 position in the Analysis, Measurement, and Accountability Reporting Division to support the identification of schools who are eligible for comprehensive support and improvement in the allocation of funding to local educational agencies that serve the identified schools pursuant to the federal Every Student Succeeds Act (P.L. 114-95)."

"26. Of the funds appropriated in this item, up to ~~\$1,195,000~~1,413,000 federal Title I funds is available to support monitoring and evaluation of the use of funds by local educational agencies receiving an allotment pursuant to Section 1003 of the federal Elementary and Secondary Education Act of 1965, as amended by the federal Every Student Succeeds Act (P.L. 114-95)."

It is also requested that Schedule (2) of Item 6100-134-0890 be increased by \$46,526,000 federal Title I funds to reflect an ongoing decrease of \$23,474,000 to align to the federal grant award and an increase of \$70 million one-time carryover funds. In accordance with California's Every Student Succeeds Act State Plan, Title I funds support eligible local educational agencies and schools that serve high numbers of low-income students.

It is also requested that Schedule (3) of Item 6100-134-0890 be increased by \$1,854,000 federal Title IV funds to reflect an ongoing decrease of \$3,146,000 to align to the federal grant award and an increase of \$5 million one-time carryover funds.

It is further requested that provisional language be amended as follows to conform to these actions:

"6. Of the funds appropriated in Schedule (2), no less than ~~\$144,468,000~~147,794,000 is available for purposes of providing grants to local educational agencies with schools identified as requiring support, consistent with the California State Plan for the federal Every Student Succeeds Act (P.L. 114-95). The State Department of Education shall develop and administer a process for providing grants from these funds on a formula basis to local educational agencies with schools identified as requiring support. Local educational agencies shall use the funds for the development of strategies to improve pupil performance at schools identified as requiring support that are aligned to goals, actions, and services identified in the local educational agency's local control and accountability plan. Such funds shall not be expended to hire additional permanent staff."

"12. Of the funds appropriated in Schedule (2), ~~\$67,000,000~~70,000,000 is provided in one-time federal Every Student Succeeds Act (P.L. 114-95), Title I, carryover to support the existing program."

"13. Of the funds appropriated in Schedule (3), ~~\$15,350,000~~5,000,000 is provided in one-time federal Every Student Succeeds Act (P.L. 114-95), Title IV carryover funds to support the existing program."

Item 6100-001-0890 and 6100-201-0890, Support and Local Assistance, Summer Electronic Benefits Transfer Program (Issue 229)—It is requested that Schedule (2) of Item 6100-001-0890 be increased by \$385,000 ongoing federal Summer Electronic Benefits Transfer Program funds to support the state-level administration of the Summer Electronic Benefits Transfer (SUN Bucks) Program. This is the federal portion provided for state-level administration (see related issue 229 in the General Fund and Other Adjustments section).

It is further requested that provisional language be added as follows to conform to this action:

36. Of the funds appropriated in Schedule (2), \$385,000 is available to support the Summer Electronic Benefits Transfer Program.

It is also requested that Schedule (1) of Item 6100-201-0890 be increased by \$21,929,000 ongoing federal Summer Electronic Benefits Transfer Program funds to support the local administration of the SUN Bucks Program. This is the federal portion provided for local administration (see related issue 230 in the General Fund and Other Adjustments section).

It is further requested that provisional language be added as follows to conform to this action:

1. Of the funds appropriated in Schedule (1), \$21,929,000 is available to support the Summer Electronic Benefits Transfer Program.

Item 6100-104-0890, Local Assistance, Project Advancing Wellness and Resilience in Education (AWARE) Grant (Issue 252)—It is requested that Schedule (1) of this item be increased by \$400,000 one-time federal Project AWARE funds to reflect the availability of carryover funds to support Project AWARE grants for local educational agencies. Project AWARE aims to increase awareness of mental health issues among school-aged youth, provide Mental Health First Aid training to teachers and other school personnel, and ensure students with signs of mental illness are referred to appropriate services.

It is further requested that provisional language be added as follows to conform to this action:

2. Of the funds appropriated in Schedule (1), \$400,000 in federal carryover is provided on a one-time basis to support Project AWARE.

Item 6100-112-0890, Local Assistance, Public Charter Schools (Issues 610 and 611)—It is requested that Item 6100-112-0890 be added in the amount of \$25,421,000 Federal Trust Fund to reflect \$11,606,000 one-time federal Public Charter School carryover funds and an ongoing increase of \$13,815,000 to align to the federal grant award to continue supporting the Public Charter Schools program. It is also requested that provisional language be added.

It is further requested that Item 6100-112-0890 be added as follows to conform to this action:

6100-112-0890—For local assistance, State Department of Education, payable from the Federal Trust Fund25,421,000

Schedule:

(1) 5205110-Public Charter
Schools.....25,421,000

Provisions:

1. Of the funds appropriated in Schedule (1), \$11,606,000 in federal carryover is provided on a one-time basis to support the existing program.

Item 6100-119-0890, Local Assistance, Program for Neglected and Delinquent Children (Issue 597)—It is requested that Schedule (1) of this item be decreased by \$321,000 ongoing federal Title I, Part D funds to align to the federal grant award. This program provides supplemental instruction, including math and literacy activities, to children and youth in state institutions for juveniles and in adult correctional institutions to ensure that these youth make successful transitions to school or employment.

Item 6100-125-0890, Local Assistance, Migrant Education Program, Migrant Education Program State-Level Activities, and English Language Acquisition Program (Issues 253, 254, 255, 256, and 257)—It is requested that Schedule (1) of this item be decreased by \$1,541,000 federal Title I, Part C Migrant Education Program funds to reflect an increase of \$7,731,000 one-time carryover funds and an ongoing decrease of \$9,272,000 to align to the federal grant award. This program awards subgrants to local educational agencies to provide educational support services to meet the needs of highly mobile migrant students.

It is further requested that provisional language be added as follows to conform to this action:

2. Of the funds appropriated in Schedule (1), \$7,731,000 in federal carryover is provided on a one-time basis to support the existing program.

It is also requested that Schedule (2) of this item be increased by \$1,154,000 ongoing federal Title I, Part C Migrant Education Program State Level Activities funds to align to the federal grant award. The state-administered Migrant Education programs include the Binational Migrant Education Program, Mini-Corps Program, and the Migrant Student Information Network.

It is also requested that Schedule (3) of this item be increased by \$12,995,000 federal Title III, Part A English Language Acquisition funds to reflect an increase of \$6,998,000 one-time carryover funds, and an ongoing increase of \$5,997,000 to align to the federal grant award. This program provides services to help students attain English proficiency and meet grade level academic standards.

It is further requested that provisional language be added as follows to conform to this action:

3. Of the funds appropriated in Schedule (3), \$6,998,000 in federal carryover is provided on a one-time basis to support the existing program.

It is also requested that Provision 2 of this item be deleted to conform with statutory changes added to support Regional English Learner lead agencies.

Item 6100-136-0890, Local Assistance, McKinney-Vento Homeless Children Education (Issues 258 and 259)—It is requested that Schedule (1) of this item be increased by \$123,000 federal McKinney-Vento funds to reflect an increase of \$667,000 one-time carryover funds and an ongoing decrease of \$544,000 to align with the federal grant award. This program supports local educational agencies' efforts to identify homeless students and ensure equal access to public education.

It is further requested that provisional language be added as follows to conform to this action:

1. Of the funds appropriated in Schedule (1), \$667,000 in federal carryover is provided on a one-time basis to support the existing program.

Item 6100-137-0890, Local Assistance, Rural and Low-Income Schools (Issue 251)—It is requested that Schedule (1) of this item be increased by \$30,000 ongoing federal Rural and Low-Income Schools Grant funds to align with the federal grant award. This program provides rural school districts with financial assistance for initiatives aimed at improving student achievement.

Item 6100-156-0890, Local Assistance, Adult Education Program (Issue 779)—It is requested that this item be increased by \$14 million one-time federal Workforce Innovation and Opportunity Act, Title II funds to reflect the availability of carryover funds. The federal Adult Education Program supports adult basic education, English as a second language, and adult secondary education programs.

It is further requested that provisional language be added as follows to conform to this action:

5. Of the funds appropriated in this item, \$14 million in one-time federal carryover is available to support the existing program.

Item 6100-161-0890, Local Assistance, Special Education (Issues 383, 391, 393, 394, and 395)—

It is requested that Schedule (1) of this item be increased by \$513,000 federal IDEA funds to reflect an ongoing decrease of \$7,737,000 to align with the federal grant award and an increase of \$8,250,000 one-time carryover funds.

It is further requested that provisional language be added as follows to conform to this action:

12. Of the funds appropriated in Schedule (1), \$8,250,000 is available in one-time carryover fund.

It is also requested that Schedule (2) of this item be increased by \$10,292,000 federal IDEA funds to reflect: (1) an increase of \$6 million one-time federal IDEA carryover funds for the State Performance Plan Technical Assistance Project to expand resources and provide direct technical assistance to local educational agencies; (2) an increase of \$3,750,000 one-time federal IDEA carryover funds to expand and increase the resources of the California Technical Assistance Network (CalTAN); (3) an increase of \$542,000 federal IDEA funds for fiscal years 2025-2026 and 2026-2027 for the expansion of the CalTAN servers and optimization of search capabilities;

It is further requested that provisional language be added as follows to conform to these actions:

13. Of the funds appropriated in Schedule (2), \$6 million is available in one-time carryover fund for the State Performance Plan Technical Assistance Project. These funds shall be available for encumbrance until June 30, 2028.

14. Of the funds appropriated in Schedule (2), \$3,750,000 is available in one-time carryover fund for the expansion and increased resources of the California Technical Assistance Network (CalTAN). These funds shall be available for encumbrance until June 30, 2028.

15. Of the funds appropriated in Schedule (2), \$542,000 is provided in fiscal years 2025-26 and 2026-27 for the expansion of the California Technical Assistance Network (CalTAN) servers and optimization of search capabilities.

It is also requested that Schedule (4) of this item be increased by \$356,000 one-time federal IDEA funds to reflect the availability of carryover fund.

It is further requested that provisional language be amended as follows to conform to this action:

"7. The funds appropriated in Schedule (4) are provided for scientifically based professional development as part of the State Personnel Development grant. Of the funds appropriated in Schedule (4), \$356,000 is available in one-time carryover fund."

It is also requested that Schedule (5) of this item be increased by \$2,165,000 one-time federal IDEA funds to reflect the availability of carryover funds.

It is further requested that provisional language be added as follows to conform to this action:

16. Of the funds appropriated in Schedule (5), \$2,165,000 is available in one-time carryover fund.

Item 6100-195-0890, Local Assistance, Part A of Title II Supporting Effective Instruction Federal Grant (Issue 280)—It is requested that Schedule (3) of this item be decreased by \$832,000 ongoing federal Part A, Title II funds to align with the federal grant award.

It is further requested that provisional language be amended as follows to conform to this action:

“2. Of the funds appropriated in Schedule (3), ~~\$13,967,000~~ \$12,035,000 in ongoing federal funds shall be used to support the 21st Century California School Leadership Academy pursuant to Section 44690 of the Education Code. Specifically, this amount reflects ~~\$7,662,000~~ \$7,630,000 in ongoing federal Title II funds, and \$5,305,000 in ongoing federal Title IV funds, transferred to Title II, consistent with the California State Plan adopted by the State Board of Education pursuant to the Every Student Succeeds Act. This program shall be implemented pursuant to Title II of the federal Every Student Succeeds Act (20 U.S.C. Sec. 6601 et seq.) and consistent with the statewide system of support pursuant to Article 4.5 (commencing with Section 52059.5) of Chapter 6.1 of Part 28 of Division 4 of Title 2 of the Education Code.”

Item 6100-197-0890, Local Assistance, 21st Century Community Learning Centers (Issues 612 and 613)—It is requested that Schedule (1) of this item be increased by \$15,670,000 federal 21st Century Community Learning Centers Grant funds to reflect an increase of \$4.5 million one-time carryover funds and an ongoing increase of \$11,170,000 to align with the federal grant award.

It is further requested that provisional language be added as follows to conform to this action:

2. Of the funds appropriated in Schedule (1), \$4.5 million in federal carryover is provided on a one-time basis to support the existing program.

Item 6100-201-0890, Local Assistance, Federal Child Nutrition Program (Issue 242)—It is requested that Schedule (1) of this item be increased by \$92,533,000 ongoing Federal Trust Fund to reflect a revised estimate of total meals served between free, reduced-price, and paid meal categories.

Item 6100-294-0890, Support and Local Assistance, Early Head Start-Child Care Partnership (EHS-CCP) (Issues 614 and 615)—It is requested that Schedule (1) of this item be increased by \$534,000 Federal Trust Fund to reflect an increase of \$650,000 one-time federal Early Head Start-Child Care Partnership carryover funds and an ongoing decrease of \$116,000 to align with the federal grant award. These funds are allocated to selected local Partnering Agencies to meet standards and grant requirements that aim to increase the quality of early childhood education programs.

It is further requested that provisional language be amended and added as follows to conform to this action:

"1. Of the funds appropriated in Schedule (1), ~~\$3,631,000~~ \$3,515,000 is available annually through the 2028-29 fiscal year to support local Early Head Start services under the Early Head Start—Child Care Partnership Grant.

2. Of the funds appropriated in Schedule (1), \$650,000 in federal carryover is provided on a one-time basis to support the existing program.

General Fund and Other Adjustments

Item 6100-001-0001, Support, District of Choice Program (Issue 131)—It is requested that Provision 22 of item 6100-001-0001 be eliminated to reflect funding reductions proposed under Control Section 4.12 of the 2024 Budget Act for Vacant Position Savings.

Item 6100-001-0001 and Reimbursements, Support, Non-Public Agency Monitoring (Issue 388)—It is requested that Schedules (1) and (5) of this item be amended to increase one-time reimbursement authority by \$500,000 to monitor non-public agencies.

It is further requested that provisional language be added as follows to conform to this action:

126. Of the funds appropriated in Schedule (1) of this item, \$500,000 in reimbursement authority is provided on a one-time basis for the 2025–26 fiscal year to support monitoring of non-public agencies.

Item 6100-001-0001 and Reimbursements, Support, Reimbursement Authority for Instructional Materials Adoptions (Issue 511)—It is requested that Schedules (1) and (5) of this item be amended to increase one-time reimbursement authority by \$437,000 for Instructional Materials Adoptions.

It is further requested that provisional language be added as follows to conform to this action:

127. Of the funds appropriated in Schedule (1) of this item, \$437,000 in reimbursements is provided in the 2025-26 fiscal year to expend the fees collected from Publishers for Instructional Materials Adoptions.

Item 6100-001-0001 and Reimbursements, Support, Reimbursement Authority for Cybersecurity Assessment for the State Special Schools and Diagnostic Centers (Issue 783)—It is requested that Schedules (1) and (5) of this item be amended to increase one-time reimbursement authority by \$150,000 to fund an independent cybersecurity assessment at the State Special Schools and Diagnostic Centers.

It is further requested that provisional language be added as follows to conform to this action:

128. Of the amount provided in Schedule (1) of this item, \$150,000 in reimbursements is provided on a one-time basis to fund an independent cybersecurity assessment at the State Special Schools and Diagnostic Centers.

Items 6100-001-0001 and 6100-201-0001, Support and Local Assistance, Summer Electronic Benefits Transfer Program (Issue 229 and 230)—It is requested that Schedule (2) of Item 6100-001-0001 be increased by \$385,000 ongoing General Fund to support the state-level administration of the SUN Bucks Program, which provides nutrition funding to eligible students during the summer months. This is the state match of the state-level administration required for federal participation (see related issue 229 in the Federal Funds Adjustment section).

It is further requested that provisional language be added as follows to conform to this action:

125. Of the funds appropriated in Schedule (2), \$385,000 is available to support the Summer Electronic Benefits Transfer Program.

It is also requested that Schedule (1) of Item 6100-201-0001 be increased by \$21,929,000 ongoing Proposition 98 General Fund to support the local administration of the SUN Bucks Program. This is the state match of the local administration required for federal participation (see related issue 229 in the Federal Funds Adjustment section)

It is further requested that provisional language be added as follows to conform to this action:

1. Of the funds appropriated in Schedule (1), \$21,929,000 is available to support the Summer Electronic Benefits Transfer Program.

Items 6100-001-0001 and 6100-001-6094, Support, School Facilities Administrative Funding under the School Facility Program (Issue 785)—It is requested that Schedules (1) and (5) of Item 6100-001-0001 be amended to decrease reimbursement authority by \$3,319,000 in 2025-26 through 2029-30 and that Schedule (2) of Item 6100-001-6094 be added in the amount of \$3,631,000 2024 State School Facilities Fund in 2025-26 through 2029-30 to reflect a shift in administrative funding to available bond funds.

Items 6100-001-0231, 6100-101-0231 and 6100-102-0231, Support and Local Assistance, Tobacco-Use Prevention Education Program (Issues 249, 260, and 265)—It is requested that Schedule (1) of Item 6100-001-0231 be decreased by \$196,000 ongoing Health Education Account, Cigarette and Tobacco Products Surtax Fund to reflect revised revenue estimates for the Health Education Account, Cigarette and Tobacco Products Surtax Fund. These funds support the state-level administration of health education efforts aimed at preventing and reducing tobacco use.

It is also requested that Schedule (1) of Item 6100-101-0231 be decreased by \$490,000 ongoing Health Education Account, Cigarette and Tobacco Products Surtax Fund and Schedule (1) of Item 6100-102-0231 be decreased by \$1,570,000 ongoing Health Education Account, Cigarette and Tobacco Products Surtax Fund to reflect revised revenue estimates for the Health Education Account, Cigarette and Tobacco Products Surtax Fund.

These funds are allocated to local educational agencies for health education efforts aimed at preventing and reducing tobacco use. Activities may include tobacco-specific student instruction, reinforcement activities, special events, and cessation programs for students.

Item 6100-001-6094, Support, Support for Priority School Districts under the School Facility Program (Issue 784)—It is requested that Schedule (1) of this item be increased by \$361,000 2024 State School Facilities Fund in 2025-26 and \$565,000 in 2026-27 through fiscal year 2029-30, to support the expansion of the work being undertaken by the Supporting America's School Infrastructure Grant Program under the School Facility Program. This program provides services and assistance to priority school districts to address the needs for improving school facilities and environments through public school infrastructure improvements.

It is further requested that provisional language be amended to conform to this action:

"1. Funds appropriated in this item. Of the amount appropriated in Schedule (1) of this item, \$854,000 is available in fiscal year 2025-26, and \$1,108,000 is available in fiscal year 2026-27 through fiscal year 2029-30, shall be available to expand the objectives of the Federal federal Supporting America's School Infrastructure (SASI) Grant Program for Priority School Districts priority school districts associated with the implementation of Chapter 81 of the Statutes of 2024. Funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2030."

Item 6100-004-0001, Support, Instructional Quality Commission (Issue 505)—It is requested that Schedule (1) of this item be reduced by \$250,000 one-time General Fund to reflect a shift to utilize Proposition 98 General Fund to develop supplemental guidance for English Language Arts and English Language Development that complements the English Language Arts and English Language Development follow up adoption pursuant to Education Code Section 60227.

It is further requested that Provision 3 be eliminated to conform to this action.

Item 6100-110-0001, Local Assistance, Expanded Learning Opportunities Program (Issues 616 and 617)—It is requested that Schedule (1) of this item be increased by \$90,582,000 ongoing Proposition 98 General Fund to reflect updated average daily attendance and unduplicated pupil percentages, and to increase the minimum allocation from \$50,000 to \$100,000.

Item 6100-119-0001, Local Assistance, Foster Youth Services Coordinating Program (Issue 246)—It is requested that Schedule (1) of this item be decreased by \$42,000 ongoing Proposition 98 General Fund to reflect the revised cost-of-living adjustment for the Foster Youth Services Coordinating Program. This program provides funding to participating county offices of education to coordinate with local educational agencies within its jurisdiction to ensure that direct services, consistent with foster youth services coordinating plans, are being provided to foster youth pupils to promote positive educational outcomes.

It is further requested that provisional language be amended as follows to conform to this action:

"1. Of the funds appropriated in this item, ~~\$787,000~~ \$745,000 is to reflect a cost-of-living adjustment."

Item 6100-150-0001, Local Assistance, American Indian Early Childhood Education Program (Issue 247)—It is requested that Schedule (1) of this item be decreased by \$1,000 ongoing Proposition 98 General Fund to reflect the revised cost-of-living adjustment for the American Indian Early Childhood Education Program. This program provides competitive grants designed to increase academic achievement and self-esteem for American Indian students in pre-kindergarten through grade four.

It is further requested that provisional language be amended as follows to conform to this action:

"1. Of the funds appropriated in this item, ~~\$17,000~~ \$16,000 is to reflect a cost-of-living adjustment."

Item 6100-151-0001, Local Assistance, American Indian Education Centers (Issue 248)—It is requested that Schedule (1) of this item be decreased by \$7,000 ongoing Proposition 98 General Fund to reflect the revised cost-of-living adjustment for the American Indian Education Centers. The Centers serve as educational resources to American Indian students, their parents, and the public schools in their communities, and provide supplemental and extended day instructional programs to meet the needs of American Indian students.

It is further requested that provisional language be amended as follows to conform to this action:

"1. Of the funds appropriated in this item, ~~\$127,000~~ \$120,000 is to reflect a cost-of-living adjustment."

Item 6100-161-0001, Local Assistance, Special Education (Issues 438, 439, 440, 441, 442)—It is requested that Schedule (1) of this item be decreased by \$81,728,000 ongoing Proposition 98 General Fund. This adjustment includes: (1) a decrease of \$67,895,000 to reflect decreased estimates of growth in average daily attendance; (2) a decrease of \$9,345,000 to reflect a decrease in the cost-of-living adjustment; and (3) a decrease of \$4,488,000 to reflect an increase of offsetting property tax revenues.

It is further requested that provisional language be amended as follows to conform to these actions:

"2. Of the funds appropriated in Schedule (1), up to ~~\$138,551,000~~ \$136,772,000 shall be available to provide special education and related services to pupils with low-incidence disabilities pursuant to their individualized education program. The Superintendent of Public Instruction shall allocate these funds to special education local plan areas on an equal per-pupil rate using the methodology specified in Section 56836.22 of the Education Code."

"4. Of the funds appropriated in Schedule (1), up to ~~\$159,643,000~~ \$157,594,000 is available to fund the costs of children placed in licensed children's institutions who attend nonpublic schools based on the funding formula authorized in Chapter 44 of the Statutes of 2021."

"14. Of the amount specified in Schedule (1), ~~\$467,125,000~~ \$461,127,000 shall be available only to provide mental health related services to students with or without an individualized education program, including out-of-home residential services for emotionally disturbed pupils, ~~pursuant to pending legislation~~. The Superintendent of Public Instruction shall allocate these funds to local educational agencies based upon an equal rate per pupil using the methodology specified in Section 56836.07 of the Education Code."

"15. The funds appropriated in this item reflect an adjustment to the base funding of ~~0.634~~ -0.532 percent for the annual adjustment in statewide average daily attendance."

"18. Of the funds provided for in Schedule (1), ~~\$145,466,000~~ \$136,121,000 is to reflect a cost-of-living adjustment."

"22. Of the amount specified in Schedule (1), up to ~~\$3,860,000~~ \$3,855,000 shall be available for small special education local plan areas to conduct regionalized services, pursuant to Section 56836.31 of the Education Code."

It is also requested that Schedule (3) of this item be decreased by \$1,409,000 ongoing Proposition 98 General Fund. This adjustment includes (1) a decrease of \$1,241,000 to reflect decreased estimates of growth in average daily attendance, and (2) a decrease of \$168,000 to reflect a decrease in the cost-of-living adjustment.

It is further requested that provisional language be amended as follows to conform to this action:

"19. Of the funds provided for in Schedule (3), ~~\$2,601,000~~ \$2,433,000 is to reflect a cost-of-living adjustment."

It is also requested that Provision 12 of this item be amended to allow for funds to be used to pay for the state's share of costs in the settlement of Loffman, et al. v. California Department of Education.

It is further requested that provisional language be amended as follows to conform to this action:

"12. Of the amount appropriated in this item, up to \$1,480,000 is available for the state's share of costs in the settlement of Loffman, et al. V. California Department of Education Emma C. v. Delaine Eastin, et al. (N.D. Cal. No. C96-4179TEH). ~~The State Department of Education shall report by January 1 of each year to the fiscal committees of both houses of the Legislature, the Department of Finance, and the Legislative Analyst's Office on the planned use of the additional special education funds provided to the Ravenswood City Elementary School District pursuant to this settlement. The report shall also provide the State Department of Education's best estimate of when this supplemental funding will no longer be required by the court. The State Department of Education shall comply with the requirements of Section 948 of~~

~~the Government Code in any further request for funds to satisfy this settlement."~~

Item 6100-194-0001, Local Assistance, Non-Proposition 98 California State Preschool Program Cost-of-Living Adjustment (COLA) (Issue 622)—It is requested that Schedule (1) of this item be decreased by \$10,172,000 ongoing non-Proposition 98 General Fund to reflect the 2025-26 suspension of the cost-of living-adjustment for the California State Preschool Program.

Item 6100-196-0001, Proposition 98 California State Preschool Program COLA (Issue 621)—It is requested that Schedule (1) of this item be decreased by \$19,296,000 ongoing Proposition 98 General Fund to reflect the 2025-26 suspension of the cost-of living-adjustment for the California State Preschool Program.

Item 6100-203-0001, Local Assistance, School Nutrition Reimbursement (Issues 240 and 241)—It is requested that Schedule (1) of this item be decreased by \$15,633,000 ongoing Proposition 98 General Fund to reflect: (1) a decrease of \$14,975,000 to reflect a projected increase in total meals reimbursed in the free, reduced-price and paid meal categories, and (2) a decrease of \$658,000 to reflect the revised cost-of-living adjustment for the Universal Meals Program. The Universal Meals Program requires local educational agencies to provide two meals free of charge during each school day to students requesting a meal, regardless of their free or reduced-price meal eligibility.

It is further requested that provisional language be amended as follows to conform to these actions:

"6. The reimbursement a school receives for free and reduced-price meals served to pupils in elementary, middle, or high schools included within a school district, charter school, or county office of education shall be ~~\$1.0028~~ \$1.0015 per meal."

"9. Of the funds appropriated in this item, ~~\$22,206,000~~ \$21,548,000 is to reflect a cost-of-living adjustment. "

"10. The funds appropriated in this item reflect a growth adjustment of ~~\$84,128,000~~ \$69,153,000 to reflect the projected number of meals served under the Universal Meals program."

Item 6100-243-0001, Local Assistance, California Association of Student Councils (Issue 137)—It is requested that Item 6100-243-0001 be added in the amount of \$500,000 one-time Proposition 98 General Fund for the California Association of Student Councils to support targeted outreach efforts to recruit participants in programs that reflect a broader geographic and socioeconomic representation of California's K-12 public school students. It is also requested that provisional language be added.

It is further requested that Item 6100-243-0001 be added as follows to conform to this action:

6100-243-0001—For local assistance, State Department of Education (Proposition 98), California Association of Student Councils500,000

Schedule:

(1) 5205136-California Association of Student Councils500,000

Provisions:

1. These funds shall be passed through to the California Association of Student Councils to support targeted outreach efforts to recruit participants in programs that reflect a broader geographic and socioeconomic representation of California's K-12 public school students. The local educational agency shall not recover indirect costs on these funds.
2. Funds appropriated in this item are available for encumbrance or expenditure on a one-time basis through June 30, 2028.

Item 6100-296-0001, Local Assistance, Mandate Block Grant Funding (Issues 244 and 245)—It is requested that Schedule (1) of this item be decreased by \$2,586,000 ongoing Proposition 98 General Fund to reflect: (1) a decrease of \$2,188,000 to align mandate block grant funding with revised average daily attendance estimates, and (2) a decrease of \$398,000 to reflect the revised cost-of-living adjustment. Mandate block grant funding is allocated to participating local educational agencies based on specified reimbursement rates per unit of average daily attendance.

It is further requested that provisional language be amended as follows to conform to these actions:

"1. The Superintendent of Public Instruction shall apportion the funds appropriated in this item to all school districts, county offices of education, and charter schools that request funding during the 2024-25 fiscal year pursuant to Section 17581.6 of the Government Code using the following rates:

(a) A school district shall receive ~~\$39.14~~ \$39.09 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$75.41~~ \$75.31 per unit of average daily attendance of pupils in grades 9 to 12, inclusive.

(b) A county office of education shall receive:

(1) ~~\$39.14~~ \$39.09 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$75.41~~ \$75.31 per unit of average daily attendance of pupils in grades 9 to 12, inclusive.

(2) \$1.31 per unit of countywide average daily attendance. For purposes of this section, "countywide average daily attendance" means the aggregate number of units of average daily attendance within the county attributable to all school districts for which the county superintendent of schools has jurisdiction pursuant to Section 1253 of the Education Code, charter schools within the county, and the schools operated by the county superintendent of schools.

(c) A charter school shall receive ~~\$20.55~~ \$20.52 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$57.12~~ \$57.04 per unit of average daily attendance of pupils in grades 9 to 12, inclusive."

"4. Of the funds appropriated in this item, ~~\$6,488,000~~ \$6,090,000 is to reflect a cost-of-living adjustment."

"5. The funds appropriated in this item reflect a growth adjustment of ~~\$156,000~~ \$2,032,000 due to revised average daily attendance."

Items 6100-485 and 6100-605-0001, Local Assistance, Reappropriation (Issue 715)—It is requested that Item 6100-485 be amended and non-Budget Act Item 6100-605-0001 be increased by \$19.5 million to reflect additional available Proposition 98 reversion account funds.

It is further requested that provisional language in Item 6100-485 be added as follows to conform to this action:

(3) The sum of \$19,500,000 is hereby appropriated to the Superintendent of Public Instruction for allocation to school districts and charter schools in the 2025-26 fiscal year pursuant to paragraph (2) of subdivision (j) of Section 14041.6 of the Education Code.

Items 6100-488 and 6100-602-0001, Local Assistance, Reappropriation (Issues 712 and 715)—It is requested that Item 6100-488 be amended, (see Attachment 1) and non-Budget Act Item 6100-602-0001 be increased by \$132,385,000 one-time Proposition 98 General Fund savings to reflect: (1) \$520,000 for settlement costs in Loffman, et al. v. California Department of Education, and (2) \$131,865,000 for the 2025-26 payment of the 2024-25 LCFF deferral.

Item 6100-601-0001, Local Assistance, School District Local Control Funding Formula (LCFF), Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 550, 551, 552, 553, and 554)—It is requested that this non-Budget Act item be decreased by \$158,294,000 Proposition 98 General Fund to reflect: (1) a decrease of \$356,785,000 to reflect decreased growth estimates and a decreased cost-of-living estimate; (2) an increase of \$5,176,000 to reflect increased funding for the Local Control Funding Formula add-on for school districts; (3) an increase of \$383,960,000 to reflect decreased offsetting property tax revenues; (4) a decrease of \$241,905,000 to reflect increased offsetting Education Protection Account revenues; and (5) an increase of \$51,260,000 to reflect increased Minimum State Aid estimates.

Item 6100-601-0001, Local Assistance, Transitional Kindergarten (TK) Expansion and Ratio Reduction (Issues 555, 556, and 557)—It is requested that this non-Budget Act item be decreased by \$529,250,000 Proposition 98 General Fund to reflect revised caseload estimates for the fourth year of TK expansion and TK teacher-student ratio reduction costs.

Item 6100-601-0001, Local Assistance, Home-to-School Transportation Program (Issue 558)—It is requested that this non-Budget Act item be decreased by \$7,544,000 Proposition 98 General Fund to reflect decreased Home-to-School Transportation cost estimates.

Item 6100-601-0001, LCFF Deferral Payment Adjustment (Issue 570)—It is requested that non-Budget Act Item 6100-601-0001 be decreased by \$151,365,000 Proposition 98 General Fund to utilize available reappropriation savings to pay off the 2024-25 LCFF apportionment deferral in 2025-26.

Item 6100-601-0001, K-12 Budget Year Deferral (Issue 595)—It is requested that non-Budget Act Item 6100-601-0001 be decreased by \$1,838,224,000 Proposition 98 General Fund to reflect a deferral of 2025-26 apportionment payments into 2026-27 to facilitate budget resiliency.

6100-601-0001, Fund LCFF with Withdrawal from the Public School System Stabilization Account (PSSSA) (Issue 596)—It is requested that non-Budget Act Item 6100-601-0001 be decreased by 479,369,000 Proposition 98 General Fund to fund a portion of the 2025-26 LCFF apportionment with a withdrawal from the PSSSA.

Item 6100-601-3207 and 6100-698-3207, Local Assistance, Education Protection Account Revenue Adjustment, Continuous Appropriation (Issues 566 and 567)—It is requested that non-Budget Act Item 6100-601-3207 be increased by \$253,306,000 ongoing Education Protection Account to reflect revised revenue estimates.

It is also requested that non-Budget Act Item 6100-698-3207 be decreased by \$253,306,000 ongoing Education Protection Account to reflect revised revenue estimates.

Item 6100-608-0001, Local Assistance, County Office of Education LCFF, Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 560, 561, 562, and 563)—It is requested that this non-Budget Act item be increased by \$29,173,000 Proposition 98 General Fund to reflect: (1) an increase of \$753,000 to reflect a decreased cost-of-living adjustment and increased growth; (2) an increase of \$21,705,000 to reflect decreased offsetting property tax revenues; (3) a decrease of \$693,000 to reflect increased offsetting Education Protection Account revenues; (4) an increase of \$7,408,000 to reflect increased Minimum State Aid estimates.

Item 6100-608-0001, Local Assistance, County Office of Education, Home-to-School Transportation Program (Issue 564)—It is requested that this non-Budget Act item be increased by \$2,099,000 Proposition 98 General Fund to reflect revised Home-to-School Transportation cost estimates for county offices of education.

Item 6100-610-0001, Local Assistance, Education Protection Account Adjustment, Continuous Appropriation (Issue 565)—It is requested that this non-Budget Act item be increased by \$253,306,000 ongoing Education Protection Account to reflect revised revenue estimates.

Item 6100-618-0001, Local Assistance, Student Support and Professional Development Discretionary Block Grant (Issue 714)—It is requested that non-Budget Act item 6100-618-0001 be decreased by \$21,720,000 one-time Proposition 98 General Fund to reflect updates in available Proposition 98 resources.

Item 6100-628-0001, Local Assistance, Arts and Music in Schools Funding Guarantee and Accountability Act (Proposition 28) Adjustment (Issue 457)—It is requested that this non-Budget Act item be increased by \$4,279,000 to reflect revised Arts and Music in Schools—Funding Guarantee and Accountability Act estimates.

Item 6100-645-0001, Equity Multiplier COLA (Issue 559)—It is requested that this non-Budget Act item be decreased by \$394,000 ongoing Proposition 98 General Fund to reflect the application of the revised cost-of-living adjustment to the Equity Multiplier program.

Current Year Adjustments

Item 6100-601-0001, Local Assistance, School District Local Control Funding Formula (LCFF), Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 550, 551, 552, 553, and 554)—It is requested that this non-Budget Act item be decreased by \$311,399,000 Proposition 98 General Fund to reflect: (1) an increase of \$779,755,000 to reflect increased growth and a decreased cost-of-living adjustment estimate; (2) an increase of \$6,008,000 to reflect increased funding for the Local Control Funding Formula add-on adjustment for school districts; (3) an increase of \$164,947,000 to reflect decreased offsetting property tax revenues; (4) a decrease of \$687,670,000 to reflect increased offsetting Education Protection Account revenues; and (5) an increase of \$48,359,000 to reflect increased Minimum State Aid estimates.

Item 6100-601-0001, Local Assistance, Transitional Kindergarten (TK) Expansion and Ratio Reduction (Issues 555 and 556)—It is requested that this non-Budget Act item be decreased by \$162,297,000 Proposition 98 General Fund to reflect revised caseload estimates for the third year of TK expansion and TK teacher-student ratio reduction costs.

Item 6100-601-0001, Local Assistance, Home-to-School Transportation Program (Issue 558)—It is requested that this non-Budget Act item be decreased by \$6,583,000 Proposition 98 General Fund to reflect decreased Home-to-School Transportation cost estimates.

Item 6100-601-3207 and 6100-698-3207, Local Assistance, Education Protection Account Revenue Adjustment, Continuous Appropriation (Issues 566 and 567)—It is requested that non-Budget Act Item 6100-601-3207 be increased by \$700,237,000 ongoing Education Protection Account to reflect revised revenue estimates.

It is also requested that non-Budget Act Item 6100-698-3207 be decreased by \$700,237,000 ongoing Education Protection Account to reflect revised revenue estimates.

Item 6100-608-0001, Local Assistance, County Office of Education LCFF, Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 560, 561, 562, 563)—It is requested that this non-Budget Act item be increased by \$17,868,000 Proposition 98 General Fund to reflect the following: (1) a decrease of \$8,817,000 to reflect a decreased cost-of-living adjustment and decreased growth; (2) an increase of \$19,701,000 to reflect increased offsetting property tax revenues; (3) a decrease of \$1,859,000 to reflect increased offsetting Education Protection Account revenues; (4) an increase of \$8,843,000 to reflect increased Minimum State Aid estimates.

Item 6100-608-0001, Local Assistance, County Office of Education, Home-to-School Transportation Program (Issue 564)—It is requested that this non-Budget Act item be increased by \$1,813,000 Proposition 98 General Fund to reflect revised Home-to-School Transportation cost estimates for county offices of education.

Item 6100-610-0001, Local Assistance, Education Protection Account Adjustment, Continuous Appropriation (Issue 565)—It is requested that this non-Budget Act item be increased by \$700,237,000 ongoing Education Protection Account to reflect revised revenue estimates.

Item 6100-618-0001, Local Assistance, Student Support and Professional Development Discretionary Block Grant (Issue 714)—It is requested that non-Budget Act item 6100-618-0001 be decreased by \$170,786,000 one-time Proposition 98 General Fund to reflect updates in available Proposition 98 resources.

Item 6100-649-0001, Local Assistance, After School Education and Safety Adjustment (Issue 620)—It is requested that this non-Budget Act item be increased by \$76,000 ongoing Proposition 98 General Fund to align funding levels to requirements enacted by Proposition 49 (2002).

Prior Year Adjustments

Item 6100-601-0001, Local Assistance, School District Local Control Funding Formula (LCFF), Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 550, 551, 552, 553, and 554)—It is requested that this non-Budget Act item be decreased by \$17,333,000 Proposition 98 General Fund to reflect: (1) a decrease of \$6,879,000 to reflect decreased growth and a decreased cost-of-living adjustment estimate; (2) an increase of \$5,540,000 to reflect increased funding for the Local Control Funding Formula add-on adjustment for school districts; (3) an increase of \$8,143,000 to reflect decreased offsetting property tax revenues; (4) an increase of \$10,740,000 to reflect decreased offsetting Education Protection Account revenues; and (5) a decrease of \$211,000 to reflect decreased Minimum State Aid estimates.

Item 6100-601-0001, Local Assistance, Transitional Kindergarten (TK) Ratio Reduction (Issue 555)—It is requested that this non-Budget Act item be increased by \$127,000 Proposition 98 General Fund to reflect revised caseload estimates for the second year of TK teacher-student ratio reduction costs.

Item 6100-601-0001, Local Assistance, Home-to-School Transportation Program (Issue 558)—It is requested that this non-Budget Act item be decreased by \$50,040,000 Proposition 98 General Fund to reflect decreased Home-to-School Transportation cost estimates.

Item 6100-608-0001, Local Assistance, County Office of Education LCFF, Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 560, 561, 562, 563)—It is requested that this non-Budget Act item be increased by \$9,018,000 Proposition 98 General Fund to reflect: (1) an decrease of \$7,538,000 to reflect a decreased cost-of-living adjustment and decreased growth; (2) an increase of \$10,838,000 to reflect decreased offsetting property tax revenues; (3) an increase of \$4,000 to reflect decreased offsetting Education Protection Account revenues; (4) an increase of \$5,714,000 to reflect increased Minimum State Aid estimates.

Item 6100-608-0001, Local Assistance, County Office of Education, Home-to-School Transportation Program (Issue 564)—It is requested that this non-Budget Act item be increased by \$2,062,000 Proposition 98 General Fund to reflect revised Home-to-School Transportation cost estimates for county offices of education.

Item 6100-618-0001, Local Assistance, Student Support and Professional Development Discretionary Block Grant (Issue 714)—It is requested that non-Budget Act item 6100-618-0001 be increased by \$124,567,000 one-time Proposition 98 General Fund to reflect updates in available Proposition 98 resources.

Item 6100-654-0001, Local Assistance, Property Tax Backfill for Basic Aid School Districts (Issue 713)—It is requested that non-Budget Act Item 6100-654-0001 be added in the amount of \$9,739,000 one-time Proposition 98 General Fund to provide property tax backfills to basic aid school districts that were impacted by the Los Angeles County fires in January 2025.

Statutory Changes

California College Guidance Initiative—It is requested that statutory changes be added to clarify the standards for college-level coursework taken for credit at a California public college or university by students simultaneously enrolled in high school to ensure suitable electronic transmission of coursework to and between California's public education systems and CaliforniaColleges.edu.

California Community Schools Partnership Program, Returned Funds—It is requested that statutory changes be added to allow any returned funds from implementation grant awards be reallocated by the Department to support extension grants.

California State Preschool Program COLA Suspension—It is requested that statutory changes be added to suspend the cost-of-living-adjustment for the 2025-26 fiscal year for the California State Preschool Program.

Curriculum Framework, Standards, and Instructional Materials Process—It is requested that statutory changes transmitted with the Governor's Budget be amended to expressly include the State Board of Education, Instructional Quality Commission, and the California Department of Education in the engagement efforts around the study of other state's curriculum guidance and make other technical amendments.

Differentiated Assistance—It is requested that statutory changes be added to direct the State Board of Education to, no later than July 15, 2026, update the state adopted performance criteria for local educational agency assistance and intervention.

Education Audit Appeals Panel Authority Threshold Increase—It is requested that statutory changes transmitted with the Governor's Budget be amended to clarify the rate used to calculate the threshold level for summary appeals be the statewide average local control funding formula, as specified.

Education Protection Account—It is requested that statutory changes transmitted with the Governor's Budget be amended to codify the proposal to establish an ongoing solution to recover overpaid Education Protection Account funds and defer outstanding fourth-quarter payments in the event a decline in revenue causes the account to be overdrawn in any fiscal year.

Educator Training for Screening of Pupils for Risk of Reading Difficulties—It is requested that statutory changes transmitted with the Governor's Budget be amended to: (1) align the definition of who can administer a screening with current statute; (2) clarify which local educational agencies will be providing reading difficulties screenings; and (3) clarify allowable use of funds.

English Language Arts/English Language Development Instructional Material Supplemental Guidance—It is requested that statutory changes transmitted with the Governor's Budget be amended to appropriate \$250,000 one-time Proposition 98 General Fund and clarify the process and timeline for adopting the guidance to support the adoption of instructional materials for English Language Arts/English Language Development that follows existing statute.

Expanded Learning Opportunities Program—It is requested that statutory changes transmitted with the Governor's Budget be amended to: (1) increase the minimum entitlement for local educational agencies from \$50,000 to \$100,000; (2) specify the audit requirements for local educational agencies that are newly providing full implementation of the program commencing with the 2025-26 school year; (3) alter the allocation methodology for 2025-26 only to provide an average daily attendance hold harmless for specified local educational agencies impacted by the fire-related state of emergency declared by the Governor in January 2025.

Extend Encumbrance for Proposition 39 Clean Energy Jobs Act—It is requested that statutory changes be added to extend the encumbrance date for funds appropriated in Item 6100-139-8080 from the 2017 Budget Act (Chapter 14 of the Statutes of 2017) until June 30, 2026, for specific instances, including authorizing the Superintendent of Public Instruction to return amounts owed to local educational agencies or to recoup funds owed by local educational agencies.

Extension of Expiring Principal Apportionment Categorical Program Authority for 2025-26—It is requested that statutory changes be added to extend the liquidation deadline for funds appropriated in Items 6100-110-0001, 6100-158-0001 and 6100-161-0001 in the 2023 Budget Act to July 31, 2026.

Failure to Adopt LCAP—It is requested that statutory changes transmitted with the Governor's Budget be amended to allow for emergency exceptions to the penalties for local educational agencies that do not adopt a Local Control Accountability Plan (LCAP) by July 1, and to change the term "charter head" to "charter administrator."

Inclusive College Technical Assistance Clean Up—It is requested that statutory changes transmitted with the Governor's Budget be amended to allow for collaboration with non-local entities and to clarify that the provided technical assistance is for California programs.

Individualized Education Program Template Translations—It is requested that statutory changes transmitted with the Governor's Budget be amended to specify that the funds only be appropriated if the Individuals with Disabilities Education Act funds appropriated in Item 6100-001-0890 is not available.

June 2026 (2025-26 FY) to July 2026 (2026-27 FY) Deferral Exemption—It is requested that statutory changes transmitted with the Governor's Budget be amended to establish an exemption process for school districts and charter schools that are unable to meet their financial obligations due to the June 2026 to July 2026 deferral.

Kitchen Infrastructure and Training Funds Encumbrance and Reporting—It is requested that statutory changes be added to: (1) extend the deadline for local education agencies to expend the Kitchen Infrastructure and Training funds allocated in the 2022 Budget Act from June 30, 2025 to June 30, 2026; and (2) extend the deadline for local educational agencies to report to the Department of Education on how funds were used to improve the quality of school meals or increase participation in subsidized school meal programs from June 30, 2025 to June 30, 2026, as a result of delays in completing infrastructure upgrades.

LCFF Budget Year Deferral—It is requested that statutory changes be added to decrease non-Budget Act Item 6100-601-0001 by \$1,838,224,000 Proposition 98 General Fund to reflect a deferral of 2025-26 apportionment payments into 2026-27 to facilitate budget resiliency.

LCFF Hold Harmless for Fire-Impacted Charter Schools—It is requested that statutory changes be added to provide a hold harmless for specified charter schools impacted by the fire-related state of emergency declared by the Governor in January 2025.

LCFF Past Year Deferral—It is requested that statutory changes transmitted with the Governor's Budget be amended to include language reflecting that the 2023-24 deferral was implemented as a budget deferral rather than a cash deferral and additional language reflecting that the 2024-25 cash deferral is intended for the P-2 payment rather than the P-1 payment.

Literacy and Mathematics Coaching—It is requested that statutory changes transmitted with the Governor's Budget be amended to set aside \$30 million of the amount provided for Mathematics Coaches to strengthen statewide coaching capacity by enhancing and expanding the grantee of the Mathematics Professional Learning Partnership, including providing support for the Rural Math Initiative and the California Mathematics Project to support training of mathematics coaches.

Literacy & Mathematics Networks—It is requested that statutory changes transmitted with the Governor's Budget be amended for the California Collaborative for Educational Excellence to also host a Mathematics Network, as well as the Literacy Network with the same charge and utilizing the same funding (\$25 million over five years). The Mathematics Network would support professional learning and instruction aligned to the Mathematics Framework adopted by the state board in 2023.

Literacy Instruction Professional Development—It is requested that statutory changes be added to: (1) appropriate \$200 million one-time Proposition 98 to support evidenced-based professional learning for elementary school teachers aligned with the English Language Arts/English Language Development Framework; and (2) establish a process for approval of criteria and guidance for the selection or development of professional development programs for use statewide and a list of programs deemed to meet those criteria.

One-Time Reading Difficulties Screener Support—It is requested that statutory changes be added to appropriate \$10 million one-time Proposition 98 General Fund to the county office of education selected to administer the California Dyslexia Initiative to partner with University of California, San Francisco Dyslexia Center to perform various activities to support screening for reading difficulties.

Property Tax Backfill for Basic Aid Districts Affected by Los Angeles County Fires—It is requested that statutory changes be added to backfill basic aid school districts for property tax losses in 2024-25 and 2025-26 occurring as a result of the Los Angeles County fires in January 2025.

Regional English Learner Lead Agencies—It is requested that statutory changes be added to: (1) reflect an ongoing appropriation of \$2 million Proposition 98 General Fund to support Regional English Learner lead agencies; and (2) define the selection criteria and responsibilities of the Regional English Learner lead agencies.

Scale Up Multi-Tiered Systems of Support for Fire Impacted Local Educational Agencies—It is requested that statutory changes be added to allow the Orange County Department of Education to expand the use of existing funds from their Multi-Tiered Systems of Support project to provide support to the local educational agencies impacted by the fires leading to any states of emergency declared by the Governor in January 2025.

Secondary School Redesign Pilot Program—It is requested that statutory changes be added to appropriate \$15 million one-time Proposition 98 General fund to the Superintendent of Public Instruction for a county office of education to administer a pilot program with select school districts to redesign middle and high schools to better serve the needs of all students and increase student outcomes, including personalizing the learning environment, integrating experiential education and new uses of technology, and supporting deeper learning. Of the funding allocated for this purpose, it is requested that \$1 million be allocated for an evaluation of the pilot program and documentation of successful models.

Special Olympics—It is requested that statutory changes be added to appropriate \$30 million one-time General Fund to support the Special Olympics of Northern and Southern California for specified purposes.

Student Support and Professional Development Discretionary Block Grant—It is requested that statutory changes transmitted with the Governor's Budget be amended to: (1) update the total appropriation amount and Proposition 98 allocations by fiscal year; (2) remove duplicative language specifying the year in which grantees are operating; (3) add a reporting requirement for grantees; (4) alter the allocation methodology to provide an average daily attendance hold harmless for specified local educational agencies impacted by the fire-related state of emergency declared by the Governor in January 2025; and (5) specify that funding will reduce the reimbursement balance owed to school districts with outstanding

mandate reimbursement claims.

Student Teacher Stipend Program—It is requested that statutory changes transmitted with the Governor's Budget related to the Loan Repayment for Teachers in Priority Schools Program be amended to instead appropriate \$100 million one-time Proposition 98 General Fund to provide stipends for California-prepared preliminary credential candidates that are completing at least 500 hours of student teaching.

SUN Bucks Program Eligibility and Verification Requirements—It is requested that statutory changes be added to: (1) require annual eligibility determination using a School Meals Application or the Universal Benefits Application, as specified, for the SUN Bucks Program; and (2) require schools that collect either application meet specified verification requirements.

Teacher Vacancy Definition—It is requested that statutory changes transmitted with the Governor's Budget be amended to clarify the definition of a vacant position.

Transitional Kindergarten Multilingual Learner Supplemental Funding—It is requested that statutory changes be added to reflect a one-time appropriation of \$7.5 million Proposition 98 General Fund, available until June 30, 2027, to mitigate reductions in supplemental and concentration grant funding to local educational agencies as a result of Chapter 15, Statutes of 2024 (AB 2268), which exempted transitional kindergarteners from the English language proficiency assessment.

Transitional Kindergarten Multilingual Learner Screening Instrument—It is requested that statutory changes transmitted with the Governor's Budget be amended to include: (1) intent language specifying the need for a developmentally appropriate screening instrument for four-year old children; (2) the use of a home language survey in the process for determining the primary language; (3) a requirement for the administration of the screening instrument within 30 days of beginning transitional kindergarten; and (4) standard contract exemption language for the selection of the screening instrument.

Transitional Kindergarten Penalties—It is requested that statutory changes be added, beginning in fiscal year 2025-26, to specify the penalty for exceeding the 1:10 adult-to-pupil ratio requirement, and that the average class enrollment penalty be limited to the average daily attendance that exceeds 24 pupils.

Transitional Kindergarten Add-On—It is requested that statutory changes transmitted with the Governor's Budget be amended to update the transitional kindergarten add-on rate for fiscal year 2025-26.

Universal Benefits Application—It is requested that statutory changes be added to include the SUN Bucks compliant Universal Benefits Application as an option to determine free or reduced-price meals eligibility for inclusion in the unduplicated pupil count.

Proposed statutory amendments for these requests can be viewed at www.dof.ca.gov.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Rebecca Lee, Assistant Program Budget Manager, at (916) 445-0328.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Heath Flora, Vice Chair, Assembly Budget Committee
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Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Leisa Maestretti, Fiscal and Administrative Services Director, State Department of Education

Amend Item 6100-488 as follows:

“6100-488—Reappropriation, State Department of Education. Notwithstanding any other law, the balances from the following appropriations are available for reappropriation for the purposes specified in the provisions below:

0001—General Fund

(1) \$200,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Special Education Program for Individuals with Exceptional Needs in Schedule (1) of Item 6100-161-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(2) ~~\$15,166,000~~~~\$12,166,000~~ or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California State Preschool Program in Schedule (1) of Item 6100-196-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(3) \$3,651,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for After School Programs in Schedule (1) of Item 6100-149-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

~~(4)(3) \$1,169,000~~~~\$1,425,000~~ or whatever greater or lesser amount of the unexpended balance of the amount appropriated for charter school apportionments in Chapter 48 of the Statutes of 2023.

~~(5)(4) \$5,040,000~~ or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Child Nutrition Programs in Schedule (1) of Item 6100-203-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

~~(6)(5) \$1,200,000~~~~\$500,000~~ or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Special Education Program for Individuals with Exceptional Needs in Schedule (1) of Item 6100-161-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

(7) \$1,697,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Special Education Program for Individuals with Exceptional Needs in Schedule (1) of Item 6100-161-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

(8) \$691,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California Career Technical Education Incentive Grant Program in Schedule (1) of Item 6100-168-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

(9) \$11,218,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Child Nutrition Programs in Schedule (1) of Item 6100-203-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

(10) \$46,078,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Expanded Learning Opportunities Program in Chapter 44 of the Statutes of 2021.

(11) \$60,000,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Expanded Learning Opportunities Program in Schedule (1) of Item 6100-110-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(12) \$1,606,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the K-12 Mandated Programs Block Grant in Schedule (1) of Item 6100-296-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

(13) \$4,000,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Instructional Continuity Best Practices in Chapter 38 of the Statutes of 2024.

Provisions:

1. The sum of \$19,331,000 is hereby appropriated to the Superintendent of Public Instruction for allocation to school districts and charter schools in the 2023–24 fiscal year pursuant to Section 42238.02 of the Education Code pursuant to the provisions provided in the 2023 Education Omnibus trailer bill for this purpose.
2. The sum of \$520,000 is hereby appropriated to the Superintendent of Public Instruction for the state's share of costs in the settlement of Loffman, et al. v. California Department of Education.
3. The sum of \$131,865,000 is hereby appropriated to the Superintendent of Public Instruction for allocation to school districts and charter schools in the 2025-26 fiscal year pursuant to paragraph (2) of subdivision (j) of Section 14041.6 of the Education Code."



DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

Gavin Newsom ■ Governor

1021 O Street, Suite 3110 ■ Sacramento CA 95814 ■ www.dof.ca.gov

May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Amendment to Budget Bill Item 6100-301-0001, Capital Outlay, Department of Education—
State Special Schools**

Fremont Campus: Perimeter Security Fence—It is requested that Item 6100-301-0001 be increased by \$830,000 one-time to provide supplemental funding for the working drawings phase of the Fremont Campus: Perimeter Security Fence project. This project includes the construction of an approximately 8,800 lineal foot security fence around the Fremont campus which currently lacks a secure perimeter. The campus serves the California School for the Deaf—Fremont, California School for the Blind, and Diagnostic Center—Northern California.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
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Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Cheryl Cotton, Deputy Superintendent of Public Instruction, Department of Education
Valerie Hill, Departmental Construction and Maintenance Supervisor, State Special Schools
and Services Division, Department of Education
Nancy Hlibok Amann, Director, State Special Schools and Services Division, Department of
Education

May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Items 6120-011-0001, 6120-011-0890, and 6120-211-0890, and Addition of Item 6120-490, Support and Local Assistance, California State Library

Amendment to Budget Bill Item 6120-011-0001, State Operations, State Library (Issue 036)—It is requested that provisional language be added to Item 6120-011-0001 to clarify legislative intent for the purpose of maintaining General Fund support for the Braille Institute of America in Los Angeles.

1. Of the amount provided in Schedule (1), \$500,000 shall continue to be provided to the Braille Institute of America Los Angeles.

Item 6120-011-0001, State Operations, Adjustment to Reflect Increased Information Technology Enterprise Security BCP Assessment Costs (Issue 030)—It is requested that Item 6120-011-0001 be increased by \$2,000 one-time to cover an increase in assessment costs associated with a budget change proposal for information technology enterprise security included in the Governor's Budget.

Items 6120-011-0001 and 6120-011-0890, State Operations, Adjustment to Reflect Reduction in Federal Institute of Museum and Library Services Grant (Issue 034)—It is requested that Item 6120-011-0001 be increased by \$4.29 million one-time and Item 6120-011-0890 be decreased by \$7 million ongoing. This reflects the reduction in support for State Library state operations from the federal Institute of Museum and Library Services terminating a Library Services and Technology Act grant.

Item 6120-211-0890, Local Assistance, Adjustment to Reflect Reduction in Federal Institute of Museum and Library Services Grant (Issue 034)—It is requested that Item 6120-211-0890 be decreased by \$8.7 million ongoing to reflect the federal Institute of Museum and Library Services terminating a Library Services and Technology Act grant to the State Library.

State Library: Reappropriation of the Comprehensive Digitization Strategy Initiative (Ch. 43, Stats. 2022) (Issue 035)—It is requested that 6120-490 be added to reappropriate \$4.29 million of the \$11 million one-time General Fund that was included in the 2022 Budget Act for the Comprehensive Digitization Strategy initiative for the purpose of temporarily supporting State Library state operations costs. This action corresponds to the above item.

6120-490—Reappropriation, State Library. The balance specified below of the appropriations provided in the following citations are reappropriated for the purposes of covering staff payroll in both the 2024-25 and 2025-26 fiscal years and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

(1) Provision 1 of Item 6120-011-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022)

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Jennifer Louie, Principal Program Budget Analyst, at (916) 445-0328.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: On following page

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Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Greg Lucas, State Librarian, California State Library
Rebecca Wendt, Deputy State Librarian, California State Library
Elizabeth Vierra, Administrative Services Bureau Chief, California State Library
Kevin Driskill, Administrative Services Bureau Chief, California State Library



May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Addition of Budget Bill Item 6350-495, Local Assistance, and Statutory Changes, School Facilities Aid Program

Item 6350-495, Local Assistance, Reversion of 2023 Balances (Issue 18)—It is requested that Item 6350-495 be added to revert the unexpended balance of a one-time statutory appropriation in the 2023 Budget Act for TK-12 school facilities construction to be allocated through the School Facility Program.

It is further requested that the following language be added to conform to this action:

6350-495—Reversion, School Facilities Aid Program. As of June 30, 2025, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriation were made.

0001—General Fund

(1) Up to \$177,500,000 of the appropriation in paragraph (2) of subdivision (a) of Section 99 of Chapter 48, Statutes of 2023, as amended by Section 99 of Chapter 153, Statutes of 2024, as reflected in Item 6350-601-0001, Program-5370 School Facilities Aid Program.

Statutory Language

Excessive Cost Hardship Grants—It is requested that statutory changes be added to provide the State Allocation Board with the authority to provide excessive cost hardship grants under the School Facility Program to school districts demonstrating unusual circumstances beyond their control.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michelle Nguyen, Principal Program Budget Analyst, at (916) 445-0328.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
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Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Nick Maduros, Secretary, Government Operations Agency
Justyn Howard, Deputy Secretary, Government Operations Agency
Ana Lasso, Director, Department of General Services
Jennifer Osborn, Chief Deputy Director, Department of General Services
Katherine Minnich, Deputy Director of Administration, Department of General Services
Heather Carlson, Chief Financial Officer, Department of General Services
Rebecca Kirk, Executive Officer, Office of Public School Construction
Michael Watanabe, Deputy Executive Officer, Office of Public School Construction

May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 6360-001-0407, Support, and Statutory Changes, Commission on Teacher Credentialing

State Operational Costs (Issue 21)—It is requested that Schedule (1) of Item 6360-001-0407 be increased by \$200,000 ongoing to align state operational costs with current staffing levels.

It is further requested that provisional language be added as follows to conform to this action:

14. Of the funds appropriated in Schedule (1), \$200,000 is available to align state operational costs with current staffing levels.

Administrative Services Credentials Legislative Implementation (Issue 22)—It is requested that Schedule (1) of Item 6360-001-0407 be increased by \$455,000 in fiscal year 2025-26 of which, \$322,000 is ongoing, and 2 positions, to support the Professional Services Division with workload associated with updating and adding a non-teaching pathway to the Administrative Services Credential. Additionally, the Commission will conduct a temporary workgroup to inform this work.

It is further requested that provisional language be added as follows to conform to this action:

15. Of the funds appropriated in Schedule (1), \$455,000, of which \$133,000 is available on a one-time basis for purposes of convening a workgroup, and 2 positions are to support the Professional Services Division with workload associated with updating and adding a non-teaching pathway to the Administrative Services Credential.

Office of the Attorney General/Office of Administrative Hearings Costs (Issue 23)—It is requested that Schedule (2) of Item 6360-001-0407 be increased by \$800,000 ongoing to reflect an increase in expenditure authority to support increased legal services costs, including court reporter fees.

It is further requested that provisional language be amended as follows to conform to this action:

"8. Funds appropriated in Schedule (2) may be used to fund costs incurred from the administration and adjudication of cases, which include court reporter fees and representation from the Attorney General and the administrative hearing process through the Office of Administrative Hearings."

Information Technology Workload Staffing (Issue 31)—It is requested that Schedule (4) of Item 6360-001-0407 be increased by \$890,000 in 2025-26 of which, \$880,000 is ongoing, and 5 positions, to support the Information Technology (IT) Branch with addressing various IT workload issues.

It is further requested that provisional language be added as follows to conform to this action:

16. Of the funds appropriated in Schedule (4), \$890,000, of which \$880,000 is ongoing beginning in 2026-27, and 5 positions are available to support the IT Branch with addressing various IT workload issues.

State Operations Reversion (Issue 34)—It is requested that Item 6360-495 be added to revert funding in Item 6360-001-0001 in the 2024 Budget Act provided to support a public awareness campaign.

It is further requested that Item 6360-495 be added as follows to conform to this action:

6360-495—Reversion, Commission on Teacher Credentialing. As of June 30, 2025, the balances specified below of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

(1) \$900,000 of the amount appropriated in Provision 9 of Item 6360-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

Statutory Changes

COVID-19-Era Waiver Requirements Deadline Extension—It is requested that statutory changes be added for the waiver to also cover the Reading Instruction Competence Assessment and to extend the deadline to complete an induction program or 2 years of service by a year for credential candidates who received a waiver pursuant to Executive Order N-66-20, Section 67 of Chapter 110 of the Statutes of 2020, or Section 120 of Chapter 44 of the Statutes of 2021.

Reading Instruction Competence Assessment Extension and Adoption Allowance—It is requested that statutory changes be added to: (1) allow credential candidates who completed preparation programs that were aligned to the Reading Instruction Competence Assessment to take that assessment on or before October 31, 2025; and (2) allow the Commission on Teacher Credentialing to adopt and administer an off-the-shelf reading instruction competence assessment for certain uses instead of maintaining a commission-adopted assessment in addition to the new literacy performance if the adopted assessment meets the requirements outlined in statute.

Reading Instruction Competence Assessment Passing Standard—It is requested that statutory changes be added to codify the standard error of measure for Reading Instruction Competence Assessment subtest scores adopted by the Commission on Teacher Credentialing in October 2024.

Statutory changes for these requests can be viewed at www.dof.ca.gov.

If you have any questions or need additional information regarding this matter, please call Liz Mai, Principal Program Budget Analyst, at (916) 445-0328.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
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May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items, Support, University of California

Support for University Operations (Issue 073)—It is requested that Item 6440-001-0001 be increased by \$266,904,000 on an ongoing basis to adjust the government efficiencies operations reductions, which combined with the Governor's Budget proposal—reflects a 3-percent reduction.

Debt Service Higher Education Student Housing Grant Program (Issue 089)—It is requested that Item 6440-001-0001 be decreased by \$3,641,000 ongoing General Fund to reflect revised debt service funding for approved University of California projects under the Higher Education Student Housing Grant Program.

Support for First Star Academies at UC Campuses (Issues 064)—It is requested that Item 6440-001-0001 be increased by \$1.8 million on a one-time basis to support the matriculation of students in foster care through the University of California First Star Program for postsecondary education success.

Technical Correction UC Financial Aid Academic Year (Issue 098)—It is requested that Item 6440-001-0001, provision 2.1, be amended to correct the academic year for the purpose of financial aid.

It is further requested that the provisional language reflected in provision 2.1 for Item 6440-001-0001 be amended as follows to conform to this action:

2.1. Notwithstanding any other law, the Director of Finance may reduce funds appropriated in this item by an amount equal to the estimated Cal Grant and Middle Class Scholarship Program cost increases caused by a ~~2024-25~~ 2025-26 academic year increase in systemwide tuition. No reduction may be authorized pursuant to this provision sooner than 30 days after the Director of Finance provides notice of the intended reduction to the Chairperson of the Joint Legislative Budget Committee.

Remove Reporting Requirement and Clarify Deferral Payment Timeline (Issues 099 and 100)—It is requested that Item 6440-001-0001, provision 27, subdivision (a) be deleted to remove reporting requirements associated with the expenditure increases for university operations budget plans. It is also requested that Item 6440-001-0001, provision 27, subdivision (b) and (c) be amended to clarify the deferral payment to the University of California.

It is further requested that the provisional language reflected in provision 27 for Item 6440-001-0001 be amended as follows to conform to these actions:

~~27. (a) To maximize transparency and accountability, the University of California shall report to the Department of Finance and the budget committees of the Legislature by December 31, 2026, its actual net expenditure increases for 2025-26 in each expenditure category identified in its initial budget plan for that year, as reflected in its 2025-26 Budget Plan for Current Operations.~~

~~(b) 27. (a)~~ It is the intent of the Legislature to defer for two fiscal years an estimated base increase of \$240,773,000 from 2025-26 to 2027-28. In 2026-27, it is the intent of the Legislature to provide ~~a one-time back payment of this amount, along with~~ an ongoing base increase of this amount. ~~(c) is the intent of the Legislature to defer an estimated base increase of \$240,773,000 from 2026-27 to 2027-28. In 2027-28, it is the intent of the Legislature to provide a one-time back payment of this deferred amount, along with~~ continuing the an ongoing base increase of this amount provided in 2026-27.

Nonresident Undergraduate Enrollment Credit and Technical Correction of Marginal Payment for Nonresident Enrollment (Issues 101 and 102)—It is requested that Item 6440-001-0001, provision 28, subdivision (a), be amended to provide the University of California with credit for nonresident student replacement above the 902 target through 2026-27. It is also requested that Item 6440-001-0001, provision 28, subdivision (b), be added to correct the deletion of the language that allows the University of California to receive a marginal payment for nonresident enrollment if it does not achieve the 902 target.

It is further requested that the provisional language reflected in provision 28, subdivision (a) and (b) for Item 6440-001-0001 be amended as follows to conform to these actions:

28. (a) As specified in Section 93000 of the Education Code, it is the intent of the Legislature that the University of California replace an additional 902 nonresident undergraduate full-time equivalent students annually from 2022-23 through 2026-27 with an equal number of resident undergraduate full-time equivalent students combined at the Berkeley, Los Angeles, and San Diego campuses. The total combined annual replacement of nonresident students should be 902 full-time equivalent students, with Berkeley, Los Angeles, and San Diego each contributing towards the 902 full-time equivalent student replacement total annually. If the University of California replaces more than 902 nonresident undergraduate full-time students in the 2025-26 enrollment target, those additional students can be counted towards the 2026-27 target. Nonresident undergraduate full-time equivalent student replacement above the annual 902 target from 2022-23, 2023-24, and 2024-25 can be counted towards the replacement of 902 nonresident undergraduate full-time equivalent students in 2025-26.

(b) If the actual reduction in nonresident undergraduate enrollment in 2025-26 at these campuses is fewer than 902 full-time equivalent students, the Director of Finance shall reduce funding for the University of California by the portion of the appropriation in the deferred allocation that is attributable to each student under the target reduction level, as specified in Section 93000 of the Education Code.

~~(b) If the actual reduction in nonresident undergraduate enrollment in 2025-26 at these campuses is fewer than 902 full-time equivalent students, the Director of Finance is not obligated to provide the deferred payment of \$31,000,000 as specified in subdivisions 30.5 (c) and (d) of the 2024-25 Budget Act.~~

Nonresident Enrollment Deferral Payment Timeline (Issue 103)—It is requested that Item 6440-001-0001, provision 28, subdivisions (c) and (d) be amended to clarify the nonresident enrollment deferral payment timeline to the University of California.

It is further requested that the provisional language reflected in provision 28, subdivisions (c) and (d) for Item 6440-001-0001 be amended as follows to conform to these actions:

(c) It is the intent of the Legislature to defer nonresident reduction plan funding of \$31,000,000 from 2025-26 to 2026-27. In 2026-27, it is the intent of the Legislature to provide ~~a one-time back payment of this 2025-26 deferred amount, along with~~ an ongoing increase of this amount. ~~(d) It is the intent of the Legislature to defer nonresident reduction plan funding of \$31,000,000 from 2026-27 to 2027-28. In 2027-28, it is the intent of the Legislature to provide a one-time back payment of this 2027-28 deferred amount, along with~~ continuing the ~~an~~ ongoing increase of this amount provided in 2026-27.

Support for Division of Agriculture and Natural Resources Allocation (Issues 082 and 083)—It is requested that Item 6440-005-0001 be increased by \$3,125,000 on an ongoing basis for the University of California, Division of Agriculture and Natural Resources with an adjustment to the government efficiencies operations reductions, which combined with the Governor's Budget proposal reflects a 3-percent reduction.

Reappropriation of the California Climate Initiatives (Issues 086 and 087)—It is requested that Item 6440-490 be added to reappropriate funding in the 2021 and 2022 Budget Acts provided to support the California Climate Initiative.

It is further requested that Item 6440-490 be added as follows to conform to this action:

6440-490—Reappropriation, University of California. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026:

0001—General Fund

- (1) Provision 48 of Item 6440-001-0001, Budget Act of 2022 (Chs. 43, 45, 249, Stats. 2022).
Budget Acts of 2021 and 2022 (Ch. 33, Stats. 2023)

Technical Adjustment to Increase Expenditure Authority for California Breast Cancer Research (Issue 068)—It is requested that Item 6440-001-0945 be increased by \$185,000 ongoing to reflect available resources in the California Breast Cancer Research Account.

Technical Adjustment to Increase Expenditure Authority for Breast Cancer Research (Issue 090)—It is requested that Item 6440-001-0007 be decreased by \$1,614,000 ongoing to reflect available resources in the Breast Cancer Research Account.

Technical Adjustment to Decrease Expenditure Authority for Research Account, Cigarette and Tobacco Products Surtax Fund (Issue 091)—It is requested that Item 6440-001-0234 be decreased by \$1,753,000 ongoing to reflect available resources in the Research Account, Cigarette and Tobacco Products Surtax Account.

If you have any questions or need additional information regarding this matter, please call Jennifer Louie, Principal Program Budget Analyst, at (916) 445-0328.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
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Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Nathan Brostrom, Executive Vice President and Chief Financial Officer, University of
California
Cain Diaz, Director, Interim Associate Vice President and Director, Operating Budget,
University of California
Kathleen Fullerton, Associate Vice President and Director, State Government Relations,
University of California

May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Addition of Various Budget Bill Items, Capital Outlay, University of California

Los Angeles-Powell Library Seismic Renovation—It is requested that Item 6440-301-0658 be added in the amount of \$10,000 (see Attachment 1), that Item 6440-301-0660 be added in the amount of \$2,825,000 (see Attachment 2), that Item 6440-301-0668 be added in the amount of \$242,000 (see Attachment 3), that Item 6440-301-0705 be added in the amount of \$5,000 (see Attachment 4), that Item 6440-301-0791 be added in the amount of \$4,000 (see Attachment 5), that Item 6440-301-6028 be added in the amount of \$30,000 (see Attachment 6), that Item 6440-301-6041 be added in the amount of \$51,000 (see Attachment 7), and that Item 6440-301-6048 be added in the amount of \$2,547,000 (see Attachment 8) in construction authority to enable the University of California to utilize excess General Obligation Bond proceeds for the Powell Library Seismic Renovation at the University of California, Los Angeles campus. These appropriations will utilize the remaining balances of several bond accounts which can be closed once the final funds in the account have been spent.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable John Laird, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable David Alvarez, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Nathan Brostrom, Executive Vice President-Chief Financial Officer, University of California
Caín Díaz, Associate Vice President, Budget Analysis & Planning, University of California
Kathleen Fullerton, Associate Vice President, State Governmental Relations, University of California
David Phillips, Associate Vice President, Capital Programs, Energy & Sustainability, University of California
Lauren Friedman, Executive Director, Capital Planning, Design & Construction, and Asset Management, University of California
Dana Santa Cruz, Director, Capital Planning, University of California
Seija Virtanen, Associate Director, State Budget Relations, University of California

6440-301-0658—for capital outlay, University of California, payable from the 1996 Higher Education Capital Outlay Bond Fund.....10,000

Schedule:

(1) 0008287-Los Angeles Campus Powell Library Seismic Renovation.....10,000

(a) Construction.....10,000

Provisions:

1. The amount appropriated in this item shall be increased based on interest earnings on the remaining balance available for the fund.

6440-301-0660—for capital outlay, University of California, payable from the Public Building Construction Fund.....2,825,000

Schedule:

(1) 0008287-Los Angeles Campus Powell Library Seismic Renovation.....2,825,000

(b) Construction.....2,825,000

Provisions:

1. The amount appropriated in this item shall be increased based on interest earnings on the remaining balance available for the University of California from the Series 2010C2, Series 2011G, and series 2013C bonds sold by the State Public Works Board.

6440-301-0668—for capital outlay, University of California, payable from the Public Building Construction Fund Subaccount.....242,000

Schedule:

(2) 0008287-Los Angeles Campus Powell Library Seismic Renovation.....242,000
(c) Construction.....242,000

Provisions:

1. The amount appropriated in this item shall be increased based on interest earnings on the remaining balance available for the University of California from the Series 2012B bonds sold by the State Public Works Board.

6440-301-0705—for capital outlay, University of California, payable from the Higher Education Capital Outlay Bond Fund of 1992.....5,000

Schedule:

(1) 0008287-Los Angeles Campus Powell Library Seismic Renovation.....5,000

(d) Construction.....5,000

Provisions:

1. The amount appropriated in this item shall be increased based on interest earnings on the remaining balance available for the fund.

6440-301-0791—for capital outlay, University of California, payable from the June 1990
Higher Education Capital Outlay Bond Fund.....4,000

Schedule:

(1) 0008287-Los Angeles Campus Powell Library Seismic Renovation.....4,000
(e) Construction.....4,000

Provisions:

1. The amount appropriated in this item shall be increased based on interest earnings
on the remaining balance available for the fund.

6440-301-6028—for capital outlay, University of California, payable from the 2002 Higher Education Capital Outlay Bond Fund.....30,000

Schedule:

(1) 0008287-Los Angeles Campus Powell Library Seismic Renovation.....30,000
(f) Construction.....30,000

Provisions:

1. The amount appropriated in this item shall be increased based on interest earnings on the remaining balance available for the fund.

6440-301-6041—for capital outlay, University of California, payable from the 2004 Higher Education Capital Outlay Bond Fund.....51,000

Schedule:

(1) 0008287-Los Angeles Campus Powell Library Seismic Renovation.....51,000

(g) Construction.....51,000

Provisions:

1. The amount appropriated in this item shall be increased based on interest earnings on the remaining balance available for the fund.

6440-301-6048—for capital outlay, University of California, payable from the 2006
University Capital Outlay Bond Fund.....2,547,000

Schedule:

(1) 0008287-Los Angeles Campus Powell Library Seismic Renovation.....2,547,000
(h) Construction.....2,547,000

Provisions:

1. The amount appropriated in this item shall be increased based on interest earnings
on the remaining balance available for the fund.



May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 6600-001-0001, Support, College of the Law San Francisco

Adjustment to University Operations Efficiencies Reductions (Issue 014)—It is requested that Item 6600-001-0001 be increased by \$1,148,000 ongoing to adjust the government efficiencies operations reductions.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Jennifer Louie, Principal Program Budget Analyst, at (916) 445-0328.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable John Laird, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable David Alvarez, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
David Seward, Chief Financial Officer, College of the Law San Francisco



May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 6610-001-0001, Support, California State University

Adjustment to University Operations Efficiencies Reductions (Issue 028)—It is requested that Item 6610-001-0001 be increased by \$231,373,000 ongoing to adjust downward the government efficiencies operations reductions.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Jennifer Louie, Principal Program Budget Analyst, at (916) 445-0328.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

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cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable John Laird, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable David Alvarez, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Steve Relyea, Executive Vice Chancellor, California State University Office of the
Chancellor
Ryan Storm, Assistant Vice Chancellor, California State University Office of the Chancellor
Jeni Kitchell, Executive Budget Director, California State University Office of the
Chancellor



May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Addition of Budget Bill Item 6645-496, Support, Health Benefits for California State University Annuitants

It is requested that Item 6645-496 be added to revert the unencumbered balances of the appropriations in Item 6645-001-0001, Budget Act of 2022 to the General Fund as of June 30, 2025 (see Attachment 1). The program is sufficiently funded without the reappropriation amount.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Hanzhao Meng, Principal Program Budget Analyst, at (916) 445-3274.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

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cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
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Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable John Laird, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
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Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration, Government
Operations Agency
Michele Nix, Chief Financial Officer, California Public Employees' Retirement System
Willem (Will) Schaafsma, Chief, Division of Financial Planning, Policy and Budgeting,
California Public Employees' Retirement System
Stacy Guzman, Budget Manager, California Public Employees' Retirement System

6645-496—Reversion, Health Benefits for California State University Annuitants. As of June 30, 2025, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made.

0001—General Fund

- (1) Item 6645-001-0001, Budget Act of 2022 (Chs. 43,45, and 249, Stats. 2022) as reappropriated by Item 6645-490, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024)



May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to, Addition of, and Elimination of Various Budget Bill Items, Support and Local Assistance, and Statutory Changes, Board of Governors of the California Community Colleges

Items 6870-002-0001, 6870-193-0001, and 6870-194-0001, Support and Local Assistance, California Community Colleges (CCC) Affordable Student Housing (Issues 140, 141, and 142)—It is requested that Item 6870-002-0001 be eliminated ongoing, Item 6870-193-0001 be decreased by \$2,469,000 ongoing Proposition 98 General Fund, and Item 6870-194-0001 be added in the amount of \$2,469,000 ongoing General Fund. These changes shift funding for a statewide lease revenue bond program to support community college affordable student housing from a state operations item to a local assistance item, and these changes also remove lease revenue funding for community college affordable student housing that was mistakenly added to Item 6870-193-0001 at the Governor's Budget.

It is further requested that Item 6870-194-0001 be added as follows to conform to this action:

6870-194-0001—For local assistance, Board of Governors of the California Community Colleges, to allow selected community colleges to make payments on lease-revenue bonds..... 2,469,000

Schedule:

(1) 5675132-Student Housing..... 2,469,000

Provisions:

1. The Controller shall transfer funds appropriated in this item for base rental as and when provided for in the schedule submitted by the State Public Works Board. Notwithstanding the payment dates in any related Facility Lease or Indenture, the schedule may provide for an earlier transfer of funds to ensure debt requirements are met and pay base rental in full when due.
2. The Controller shall transfer for additional rental no later than 30 days after enactment of this budget, \$0 of the amount appropriated in this item, to the Expense Account in the Public Buildings Construction Fund.

3. This item may be adjusted pursuant to Section 4.30. Any adjustments to this item shall be reported to the Joint Legislative Budget Committee pursuant to Section 4.30.

Item 6870-101-0001, Local Assistance, Apportionments Deferrals from 2025-26 to 2026-27

(Issue 170)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$531,631,000 one-time Proposition 98 General Fund to reflect a deferral of apportionments from fiscal year 2025-26 to 2026-27.

It is further requested that Provision 1.5 of this item be added as follows to conform to this action:

1.5. (a) The funds appropriated in Schedule (1) reflect a deferral of \$531,631,000 to the 2026-27 fiscal year.

(b) (1) To implement the monthly deferral schedule for community college districts pursuant to the higher education omnibus trailer bill identified in Section 39.00 as providing for appropriations related to this act, the Chancellor's Office of the California Community Colleges may transfer to Schedule (1) of this item appropriations from schedules within this item that provide categorical program funding and that are being deferred.

(2) If exercising the authority described in paragraph (1), the Chancellor's Office of the California Community Colleges shall first defer appropriations from apportionments in Schedule (1) before transferring appropriations from schedules within this item that provide categorical program funding.

(c) The transfers authorized by this provision shall be implemented through notification to appropriate staff of the Controller and the Department of Finance.

Item 6870-101-0001, Local Assistance, Enrollment Growth Adjustment (Issue 112)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$109,539,000 ongoing Proposition 98 General Fund to reflect a revised estimate of the cost to maintain a 2.35-percent enrollment growth target in 2025-26.

It is further requested that paragraph (1) of subdivision (a) of Provision 2 of this item be amended as follows to conform to this action:

"(1) Of the funds appropriated in Schedule (1), ~~\$30,442,000~~ \$109,539,000 shall be used to increase statewide growth of full-time equivalent students (FTES) by ~~0.50~~ 2.35 percent."

Item 6870-101-0001, Local Assistance, Apportionments Cost-of-Living Adjustment (COLA)

(Issue 111)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$12,946,000 ongoing Proposition 98 General Fund to reflect a 2.30-percent COLA.

It is further requested that paragraph (2) of subdivision (a) of Provision 2 of this item be amended as follows to conform to this action:

"(2) Of the funds appropriated in Schedule (1), ~~\$230,388,000~~ \$217,442,000 shall be used to reflect a cost-of-living adjustment of ~~2.43~~ 2.30 percent."

Item 6870-101-0001, Local Assistance, Fire-Related Property Taxes (Issue 161)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$8,065,000 one-time Proposition 98 General Fund to provide backfills to affected community college districts for property tax revenue losses projected for 2025-26 as a result of fires leading to any states of emergency declared by the Governor in January 2025.

It is further requested that subdivision (f) of Provision 2 of this item be added as follows to conform to this action:

(f) Of the funds appropriated in Schedule (1), \$8,065,000 is available on a one-time basis to backfill affected community college districts for property tax revenue losses as a result of fires leading to any states of emergency declared by the Governor in January 2025.

Item 6870-101-0001, Local Assistance, Fund SCFF with Public School System Stabilization Account (Issue 171)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$59,029,000 one-time Proposition 98 General Fund to reflect support to the Student Centered Funding Formula with funds transferred from the Public School System Stabilization Account.

Item 6870-101-0001, Local Assistance, Revise Funding Source for 2025-26 Payment of 2024-25 Deferral (Issue 158)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$126,119,000 one-time Proposition 98 General Fund to reduce the 2025-26 payment of the 2024-25 apportionments deferral in this item.

Item 6870-101-0001, Local Assistance, Hold Harmless and Stability Funding for Student Centered Funding Formula (Issue 125)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$131,671,000 ongoing Proposition 98 General Fund to reflect a revised estimate of hold harmless and stability funding for districts under the Student Centered Funding Formula.

Item 6870-101-0001, Local Assistance, Base Apportionment Adjustments (Issue 133)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$26,992,000 ongoing Proposition 98 General Fund to reflect various base apportionment adjustments.

Item 6870-101-0001, Local Assistance, Net Offsetting Property Tax Revenue (Issues 117 and 126)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$89,635,000 ongoing Proposition 98 General Fund to reflect a decrease in estimated net offsetting property tax revenue. The adjustment to Schedule (1) reflects an increase of \$99,264,000 Proposition 98 General Fund to align with revised estimates of property tax data and a decrease of \$9,629,000 Proposition 98 General Fund to correct estimates made at the Governor's Budget. It is also requested that a conforming adjustment be made to a related informational non-Budget Act item.

Item 6870-101-0001, Local Assistance, Offsetting Student Fee Revenue (Issues 116 and 127)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$35,540,000 ongoing Proposition 98 General Fund to reflect an associated decrease in estimated offsetting student fee revenue. It is also requested that a conforming adjustment be made to a related informational non-Budget Act item.

Item 6870-101-0001, Local Assistance, Net Offsetting Education Protection Account (EPA) Revenue (Issues 114 and 115)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$31,158,000 ongoing Proposition 98 General Fund to reflect an increase in estimated net offsetting EPA revenue. It is also requested that corresponding adjustments be made to related non-Budget Act items.

Item 6870-101-0001, Local Assistance, Apprenticeship Program COLA (Issue 119)—It is requested that Schedules (2) and (3) of Item 6870-101-0001 be increased by \$81,000 ongoing Proposition 98 General Fund and increased by \$1,275,000 ongoing Proposition 98 General Fund, respectively, to align the projected related and supplemental instruction reimbursement rate with a revised estimate of the credit apportionment funding rate that reflects a 2.30-percent COLA and to make corrections to estimates made at the Governor's Budget. The adjustment to Schedule (2) reflects a decrease of \$34,000 Proposition 98 General Fund to align with a 2.30-percent COLA and an increase of \$115,000 Proposition 98 General Fund to correct estimates made at the Governor's Budget, and the adjustment to Schedule (3) reflects a decrease of \$60,000 Proposition 98 General Fund to align with a 2.30-percent COLA and an increase of \$1,335,000 Proposition 98 General Fund to correct estimates made at the Governor's Budget.

It is further requested that paragraph (2) of subdivision (a) of Provision 3 and subdivision (b) of Provision 4 of this item be amended as follows to conform to this action:

"(2) Pursuant to Section 79149.3 of the Education Code, the reimbursement rate shall be ~~\$10.44~~ \$10.32 per hour."

"(b) Pursuant to Section 8152 of the Education Code, the reimbursement rate shall be ~~\$10.44~~ \$10.32 per hour."

Item 6870-101-0001, Local Assistance, Student Financial Aid Administration and Board Financial Assistance Program Funding (Issues 123 and 124)—It is requested that Schedule (5) of Item 6870-101-0001 be increased by \$1,613,000 ongoing Proposition 98 General Fund to reflect an increase of \$802,000 for the Student Financial Aid Administration Program and an increase of \$811,000 for the Board Financial Assistance Program. These adjustments reflect revised estimates of the number of units with fees waived and the dollar amount of fees waived, respectively.

It is further requested that paragraphs (1) and (2) of subdivision (a) of Provision 6 of this item be amended as follows to conform to this action:

"(1) Not less than ~~\$13,234,000~~ \$14,036,000 is available to provide \$0.91 per unit reimbursement to community college districts for the provision of California College Promise Grants pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(2) Not less than ~~\$13,379,000~~ \$14,190,000 is available for the Board Financial Assistance Program to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of California College Promise Grants pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code."

Item 6870-101-0001, Local Assistance, Disabled Student Programs and Services Program COLA (Issue 121)—It is requested that Schedule (6) of Item 6870-101-0001 be decreased by \$227,000 ongoing Proposition 98 General Fund to reflect a 2.30-percent COLA for the Disabled Student Programs and Services Program.

Item 6870-101-0001, Local Assistance, Student Services for CalWORKs Recipients Program COLA (Issue 134)—It is requested that Schedule (7) of Item 6870-101-0001 be decreased by \$72,000 ongoing Proposition 98 General Fund to reflect a 2.30-percent COLA for the Student Services for CalWORKs Recipients Program. It is also requested that the provisional language for the amounts specified for various program uses be revised due to incorrect amounts provided at the Governor's Budget and to reflect an updated COLA.

It is further requested that paragraphs (1) and (2) of subdivision (b) of Provision 8 of this item be amended as follows to conform to this action:

"(1) ~~\$11,483,000~~ \$11,504,000 shall be for childcare, except that a community college district may request that the Chancellor of the California Community Colleges approve the use of funds for other purposes.

(2) No less than ~~\$6,124,000~~ \$6,135,000 shall be used to provide direct workstudy wage reimbursement for students served under this program, and ~~\$768,000~~ \$769,000 is available for campus job development and placement services."

Item 6870-101-0001, Local Assistance, Extended Opportunity Programs and Services Program COLA (Issue 122)—It is requested that Schedule (18) of Item 6870-101-0001 be decreased by ongoing \$285,000 Proposition 98 General Fund to reflect a 2.30-percent COLA for the Extended Opportunity Programs and Services Program. It is also requested that the provisional language for the amounts specified for various program uses be revised due to incorrect amounts provided at the Governor's Budget and to reflect an updated COLA.

It is further requested that paragraphs (1) and (2) of subdivision (a) of Provision 18 of this item be amended as follows to conform to this action:

"(1) ~~\$188,972,000~~ \$189,298,000 shall be used pursuant to Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. Funds provided in this item for Extended Opportunity Programs and Services shall be available to students on all campuses within the California Community Colleges system.

(2) ~~\$34,554,000~~ \$34,614,000 shall be used for funding, at all colleges, the Cooperative Agencies Resources for Education program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The Chancellor of the California Community Colleges shall allocate these funds to local programs on the basis of need for student services."

Item 6870-101-0001, Local Assistance, Rising Scholars Network (Issues 149 and 155)—It is requested that Schedule (19) of Item 6870-101-0001 be increased by \$10 million ongoing Proposition 98 General Fund to reflect a revised Governor's Budget proposal to move the appropriation to this item and to reduce the proposed amount from \$30 million to \$10 million for the Rising Scholars Network.

It is further requested that paragraph (1) of subdivision (j) of Provision 19 of this item be amended as follows to conform to this action:

"(j) (1) ~~\$25,000,000~~ \$35,000,000 shall be available to support the Rising Scholars Network pursuant to Article 6 (commencing with Section 78070) of Chapter 1 of Part 48 of Division 7 of Title 3 of the Education Code."

Item 6870-101-0001, Local Assistance, Provisional Language Change for Rising Scholars Network (Issues 149 and 155)—It is requested that the amounts set-aside for implementation of the Rising Scholars Network be changed from absolute numbers to percentages to accommodate changes in overall funding levels.

It is requested that paragraph (2) of subdivision (j) of Provision 19 of this item be amended as follows:

"(2) (A) Of the funds provided for in paragraph (1), ~~\$15,000,000~~ 60 percent annually shall support ongoing implementation of model programming for juvenile justice-impacted students, as a grant program administered and supported by the Rising Scholars Network of the Chancellor's Office of the California Community Colleges. Funds shall be used for model college programming with key components based on the Project Change model, to be offered both within juvenile facilities and on the community college campus, to establish a direct pathway to college for juvenile justice-impacted young people.

(B) Of the funds provided for in subparagraph (A), at least ~~\$13,000,000~~ 86.7 percent annually shall support a maximum of 45 community colleges on 5-year grant cycles to implement model programming to serve juvenile justice-impacted students, incorporating the three following core Project Change program components:

(i) College programming that is: (I) offering University of California and California State University transferable courses and comprehensive student support programming; (II) provided by a California Community College through instruction; and (III) offered both on campus at a community college and in local juvenile detention facilities.

(ii) Comprehensive support to assist students with the transition to on-campus higher education, including: (I) wraparound student support services that address basic needs such as books and supplies, tuition, fees, stipends, housing, food, and transportation; and (II) educational transition plans for students, outlining their multiyear framework from high school through college completion.

(iii) Staffing and space commitments, including: (I) dedicated staffing of a program lead, counselor, and retention specialist; (II) dedicated space on the college campus for the program; and (III) formal partnerships with key stakeholders, including, but not limited to, the local county office of education, probation department, local high school districts, and community-based organizations.

(C) Community colleges may implement model program components on a phased timeline. Model programs must utilize both Dual Enrollment and Guided Pathways frameworks. At the conclusion of the 5-year cohort, community colleges may reapply for continued funding support.

(D) Colleges may be funded on a tiered model. Tiered model funding may consider the number of core program components a college can implement; student counts; whether the college already has an established or funded Rising Scholars program; and other metrics determined by the Rising Scholars Network of the Office of the Chancellor of the California Community Colleges.

(E) Of the funds provided in subparagraph (A), ~~\$1,250,000~~ 8.3 percent annually shall support technical assistance for successful implementation of model programming overseen by the Rising Scholars Network of the Office of the Chancellor of the California Community Colleges. Technical assistance includes contract staffing positions to oversee the project implementation, in-person trainings, and support."

Item 6870-101-0001, Local Assistance, Campus Childcare Tax Bailout Program COLA

(Issue 120)—It is requested that Schedule (20) of Item 6870-101-0001 be decreased by \$6,000 ongoing Proposition 98 General Fund to reflect a 2.30-percent COLA for the Campus Childcare Tax Bailout Program.

Item 6870-101-0001, Local Assistance, Credit for Prior Learning (Issues 150 and 153)—It is requested that Schedule (19) of Item 6870-101-0001 be increased by \$5 million ongoing Proposition 98 General Fund to reflect a revised Governor's Budget proposal to move the ongoing appropriation to this item and to reduce the proposed ongoing amount from \$7 million to \$5 million for an investment to expand credit for prior learning policies.

It is further requested that subdivision (m) be added to Provision 19 of this item as follows to conform to this action:

(m) \$5,000,000 shall be available on an ongoing basis to support the Credit for Prior Learning Initiative pursuant to Part 53.9 (commencing with Section 88790) and is added to Division 7 of Title 3 of the Education Code.

Item 6870-101-0001, Local Assistance, Provisional Language for LGBTQ+ Pilot Program—It is requested that Item 6870-101-0001 be amended to indicate that the LGBTQ+ Pilot Program is appropriated using one-time funds.

It is further requested that subparagraph (A) of paragraph (1) of subdivision (l) of Provision 19 of this item be amended as follows to conform to this action:

"(l) (1) (A) \$10,000,000 shall be allocated on a one-time basis by the Chancellor's Office to participating community college districts to provide additional funds to support LGBTQ+ students. For the purposes of allocating and expending this funding, the Chancellor's Office and participating community college districts shall follow the requirements as stipulated in Section 89 of Chapter 144 of the Statutes of 2021."

Item 6870-101-0001, Local Assistance, Institutional Effectiveness Program & Initiatives

Reporting—It is requested that Item 6870-101-0001 be amended to reflect a revised reporting requirement for the Institutional Effectiveness Partnership Initiative Program to better align with reporting for multi-year grants.

It is further requested that paragraph (1) of subdivision (b) of Provision 22 of this item be amended as follows to conform to this action:

“(b) (1) \$20,000,000 may be used by the chancellor to provide regional and online workshops and trainings to community college personnel to promote statewide priorities, including, but not limited to, strategies to improve student achievement; strategies to improve community college operations; and system leadership training to better coordinate planning and implementation of statewide initiatives in alignment with the Board of Governors of the California Community Colleges’ Vision for Success. To the extent possible, the chancellor shall partner with existing statewide initiatives with proven results of improving student success and institutional effectiveness. Each fiscal year, the chancellor shall submit a report on the use of funds appropriated pursuant to this provision in the prior year to the Department of Finance and the Joint Legislative Budget Committee no later than December 31 of each year, and beginning in the 2025-26 fiscal year and every three years after, the chancellor shall submit a report on the use of funds appropriated pursuant to this provision on the prior 3 years to the Department of Finance and the Joint Legislative Budget Committee no later than December 31 of that year. This report shall include information regarding California Community Colleges’ participation in the activities funded pursuant to this provision.”

Item 6870-111-0001 and Reimbursements, Local Assistance, (Issue 165)—It is requested that Schedules (3.5) and (6.5) be added to provide one-time reimbursement authority to Item 6870-111-0001 of \$10 million, which is the amount projected to be received from the California Department of Health Care Services for the community colleges for the Children and Youth Behavioral Health Initiative.

It is further requested that Provision 4 of this item be added as follows to conform to this action:

4. Of the amount provided in Schedule (3.5) of this item, \$10,000,000 in reimbursements is available on a one-time basis to support the Children and Youth Behavioral Health Initiative.

Item 6870-201-0001, Local Assistance, Adult Education Program COLA (Issue 109)—It is requested that Item 6870-201-0001 be decreased by \$849,000 Proposition 98 General Fund to reflect a 2.30-percent COLA for the Adult Education Program.

It is further requested that Provision 2 of this item be amended as follows to conform to this action:

"2. Of the funds appropriated in this item, ~~\$15,871,000~~ \$15,022,000 is provided as a cost-of-living adjustment."

Item 6870-296-0001, Local Assistance, Mandate Block Grant Adjustment and COLA (Issues 118 and 131)—It is requested that Item 6870-296-0001 be decreased by \$590,000 ongoing Proposition 98 General Fund to reflect a decrease of \$551,000 to align block grant funding with the revised estimate of applicable full-time equivalent students (FTES) and a decrease of \$39,000 for a 2.30-percent COLA for the Mandate Block Grant program. The adjustment to this item for applicable FTES reflects a decrease of \$557,000 Proposition 98 General Fund to reflect revised FTES data and an increase of \$6,000 Proposition 98 General Fund to reflect correct estimates made at the Governor’s Budget, and the adjustment to this item for the COLA reflect a decrease of \$50,000 Proposition 98 General Fund to align with a 2.30-percent COLA and an increase of \$11,000 Proposition 98 General Fund to correct estimates made at the Governor’s Budget.

It is further requested that Provision 1 of this item be amended as follows to conform to this action:

"1. The funds appropriated in this item are for transfer by the Controller to Section B of the State School Fund. Pursuant to Section 17581.7 of the Government Code, the funds appropriated in this item shall be distributed to community college districts that elect to participate in the block grant on the basis of funded full-time equivalent students (FTES) calculated as of the second principal apportionment for the 2024–25 fiscal year multiplied by ~~\$36.51~~ \$36.46 per FTES."

Item 6870-485 and 6870-605-0001, Local Assistance, Reappropriation (Issue 166)—It is requested that Item 6870-485 be amended to indicate that the funds shall be used for the 2023-24 SCFF apportionment costs instead of being used to support the Credit for Prior Learning Initiative.

It is further requested that Schedule (1) of this item be amended as follows to conform to this action:

"(1) The sum of \$1,046,000 is hereby appropriated to the Board of Governors of the California Community Colleges for allocation to support the same purposes as funds allocated for apportionments in Schedule (1) of Item 6870-101-0001 of the Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), as amended by the 2024 Higher Education Omnibus trailer bill and the higher education omnibus trailer bill identified in Section 39.00 as providing for appropriations related to this act. ~~expansion of Credit for Prior Learning policies in the California Community College system pursuant to provisions provided in the 2025 Education Omnibus Trailer Bill for this purpose.~~"

Item 6870-488 and 6870-602-0001, Local Assistance, Reappropriation (Issues 162, 163, 166, 167, and 168)—It is requested that Item 6870-488 be amended, as specified in Attachment 1, and non-Budget Act Item 6870-602-0001 be increased by \$311,365,000 one-time Proposition 98 General Fund to reflect: (1) \$86,156,000 one-time Proposition 98 General Fund to support 2023-2024 SCFF apportionments, (2) \$110,601,000 one-time Proposition 98 General Fund to support 2024-25 SCFF apportionments, and (3) \$126,119,000 one-time Proposition 98 General Fund to support the 2025-26 payment of the 2024-25 SCFF deferral.

Current and Prior Year Adjustments

Item 6870-101-0001, Local Assistance, Fire-Related Property Taxes for 2024-25 (Issue 161)—It is requested that statutory changes transmitted with the Governor's Budget be amended to increase Schedule (1) of Item 6870-101-0001, Budget Act of 2024, by \$3,804,000 one-time Proposition 98 General Fund to provide backfills to affected community college districts for 2024-25 property tax revenue losses as a result of fires leading to any states of emergency declared by the Governor in January 2025. It is also requested that statutory changes are included to describe these funds.

Item 6870-101-0001, Local Assistance, 2024-25 Apportionment Adjustments to Reflect Revised Local Revenue Estimate (Issues 117 and 126)—It is requested that statutory changes transmitted with the Governor's Budget be amended to increase Schedule (1) of Item 6870-101-0001, Budget Act of 2024, by \$68,037,000 Proposition 98 General Fund to reflect an associated decrease in revised offsetting local revenue estimates. It is also requested that corresponding adjustments be made to a related informational non-Budget Act item. The adjustment to Schedule (1) reflects an increase of \$72,655,000 Proposition 98 General Fund to align with revised property tax estimates and a decrease of \$4,618,000 Proposition 98 General Fund to correct estimates made at the Governor's Budget.

Item 6870-101-0001, Local Assistance, 2024-25 Apportionment Adjustments to Reflect Revised Estimate of Offsetting Student Fees (Issues 116 and 127)—It is requested that statutory changes transmitted with the Governor's Budget be amended to increase Schedule (1) of Item 6870-101-0001, Budget Act of 2024, by \$40,657,000 one-time Proposition 98 General Fund to reflect revised estimates of offsetting student fees. It is also requested that corresponding adjustments be made to a related informational non-Budget Act item.

Item 6870-101-0001, Local Assistance, 2024-25 Net Offsetting EPA Revenue (Issues 113 and 115)—It is requested that statutory changes transmitted with the Governor's Budget be amended to decrease Schedule (1) of Item 6870-101-0001, Budget Act of 2024, by \$86,510,000 one-time Proposition 98 General Fund to reflect an associated increase in net offsetting EPA revenue. It is also requested that corresponding adjustments be made to related non-Budget Act items.

Item 6870-101-0001, Local Assistance, 2024-25 Apportionments Deficit Adjustment (Issue 172)—It is requested that statutory changes transmitted with the Governor's Budget be amended to increase Schedule (1) of Item 6870-101-0001, Budget Act of 2024, by \$210,202,000 one-time Proposition 98 General Fund to fully fund 2024-25 apportionments.

Item 6870-101-0001, Local Assistance, 2024-25 Apportionments Adjustment (Issue 110)—It is requested that statutory changes transmitted with the Governor's Budget be amended to decrease Schedule (1) of Item 6870-101-0001, Budget Act of 2024, by \$110,601,000 one-time Proposition 98 General Fund to align with changes to the Proposition 98 Guarantee.

Item 6870-101-0001, Local Assistance, 2023-24 Apportionments Adjustment (Issue 110)—It is requested that statutory changes be adopted to decrease Schedule (1) of Item 6870-101-0001, Budget Act of 2023, by \$87,202,000 one-time Proposition 98 General Fund to align with changes to the Proposition 98 Guarantee.

Statutory Changes

Apportionment Deferrals from 2025-26 to 2026-27—It is requested that statutory changes be added to defer apportionment funding of \$531,631,000 Proposition 98 General Fund in the 2025-26 fiscal year to the 2026-27 fiscal year.

Fund SCFF with PSSSA Deposit—It is requested that statutory changes be added to use mandatory withdrawals from the Public School System Stabilization Account to fund \$59,029,000 in SCFF apportionment costs on a one-time basis in 2025-26.

Appropriation for e-Transcript California Shortfall—It is requested that statutory changes be added to appropriate \$6,558,000 one-time Proposition 98 General Fund for e-Transcript California. The 2024 Budget Act appropriated \$12 million one-time Proposition 98 General Fund for this purpose from reappropriated funds but only \$5.4 million were ultimately available for this purpose from actual savings.

Career Passport—It is requested that statutory changes transmitted with the Governor's Budget be amended to reduce the proposed appropriation for the Career Passport investment from \$50 million one-time Proposition 98 General Fund to \$25 million one-time Proposition 98 General Fund.

Credit for Prior Learning Initiative—It is requested that statutory changes transmitted with the Governor's Budget be amended to reduce the proposed appropriation for the Credit for Prior Learning Initiative from \$50 million Proposition 98 General Fund, of which \$7 million was ongoing, to \$20 million Proposition 98 General Fund, of which \$5 million is ongoing.

Rising Scholars Network—It is requested that statutory changes transmitted with the Governor's Budget be amended to reduce the proposed appropriation for the Rising Scholars Network from \$30 million Proposition 98 General Fund to \$10 million Proposition 98 General Fund, and to move that ongoing appropriation to Item 6870-101-0001.

Common Cloud Data Platform—It is requested that statutory changes transmitted with the Governor's Budget be amended to reduce the proposed appropriation for the Common Cloud Data Platform from \$130,943,000 one-time Proposition 98 General Fund to \$12 million one-time Proposition 98 General Fund and eliminate \$29 million ongoing Proposition 98 General Fund.

Collaborative Enterprise Resource Planning Project—It is requested that statutory changes transmitted with the Governor's Budget for this proposal be withdrawn for consideration.

Changes to Reporting Language Requirements—It is requested that statutory changes be added to amend the reporting requirements for specific CCC programs to align with program deadlines and timelines related to data reporting.

Informational

Pursuant to Education Code section 84758, the Department of Finance is required to notify the Legislature and the Chancellor's Office of the amount of revenue estimated to be available to community college districts during the next fiscal year from local taxes, exclusive of bond interest and redemption, and timber taxes received.

Finance estimates that property taxes totaling \$4,437,324,000 net of excess taxes will be available to offset district apportionments in 2025-26. This estimate excludes \$1,074,000 in estimated timber tax revenues.

Education Code section 84758 also requires Finance to notify the Legislature of the difference between the Chancellor's Office 2024-25 local property tax estimate, excluding timber taxes, and Finance's 2024-25 property tax estimates as of May 2024, excluding timber taxes.

As of the second principal apportionment payment, the Chancellor's Office reported 2024-25 local property taxes of \$4,085,428,000, net of excess taxes and excluding timber taxes, which was \$734,000. As of May 2024, Finance's 2024-25 property tax estimate was \$4,283,829,000, net of excess taxes and excluding timber taxes, which was \$691,000. Therefore, the Chancellor's Office's current property tax estimate, based on second principal apportionment payments, for 2024-25 is \$198,401,000 below Finance's May 2024 estimate.

Proposed statutory amendments for these requests can be viewed at www.dof.ca.gov.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michelle Nguyen, Principal Program Budget Analyst, at (916) 445-0328.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
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Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Sonya Christian, Chancellor, California Community Colleges Chancellor's Office
Chris Ferguson, Executive Vice Chancellor, California Community Colleges Chancellor's Office
David O'Brien, Vice Chancellor, California Community Colleges Chancellor's Office

"6870-488—Reappropriation (Proposition 98), Board of Governors of the California Community Colleges. Notwithstanding any other law, the balances from the following appropriations are available for reappropriation for the purposes specified in Provisions 1 through 3: 1 and 2:

0001—General Fund

(1) \$10,657,000 or whatever greater or ~~less~~ lesser amount of the unexpended balance of the amount appropriated for the Student Success Completion Grant Program in Schedule (1) of Item 6870-108-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as amended by Chapter 50 of the Statutes of 2023 and Chapter 71 of the Statutes of 2024.

(2) \$854,000 or whatever greater or ~~less~~ lesser amount of the unexpended balance of the amount appropriated for the California Community College Strong Workforce Program in Schedule (16) of Item 6870-101-0001, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as amended by Chapter 144 of the Statutes of 2021 and Chapter 54 of the Statutes of 2022.

(3) \$137,930,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for apportionments in Schedule (1) of Item 6870-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), as amended by Chapter 71 of the Statutes of 2024 and the higher education omnibus trailer bill identified in Section 39.00 of this Budget Act as providing for appropriations related to this act.

(4) \$162,760,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Part-Time Faculty Health Insurance in Schedule (12) of Item 6870-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), as amended by Chapter 71 of the Statutes of 2024 and the higher education omnibus trailer bill identified in Section 39.00 of this Budget Act as providing for appropriations related to this act.

(5) \$33,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for maintenance allowance in Schedule (1) of Item 6870-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as amended by Chapter 50 of the Statutes of 2023 and Chapter 71 of the Statutes of 2024.

(6) \$219,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Part-Time Faculty Health Insurance in Schedule (12) of Item 6870-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as amended by Chapter 50 of the Statutes of 2023 and Chapter 71 of the Statutes of 2024.

(7) \$142,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for mandates in Item 6870-296-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(8) \$13,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the mandates of Item 6870-295-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(9) \$1,819,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California Healthy School Food Pathways program in Schedule (2) of Item 6870-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as amended by Chapter 50 of the Statutes of 2023 and Chapter 71 of the Statutes of 2024.

(10) \$13,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for mandates in Item 6870-295-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).

(11) \$891,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Community College Pathway to Law School Initiative in Section 63 of Chapter 144 of the Statutes of 2021.

(12) \$230,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for response to the COVID-19 Pandemic in Section 21 of Chapter 25 of the Statutes of 2020.

(13) \$596,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Student Services for CalWORKs Recipients program in Schedule (7) of Item 6870-101-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as amended by Chapter 53 of the Statutes of 2019.

(14) \$543,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated in Schedule (9) of Item 6870-101-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as amended by Chapter 53 of the Statutes of 2019.

(15) \$41,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Student Success Completion Grant in Item 6870-108-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018).

(16) \$44,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated in Schedule (16) of Item 6870-101-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as amended by Chapter 53 of the Statutes of 2019.

(17) \$21,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Veterans Resource Center grant program in Section 71 of Chapter 33 of the Statutes of 2018.

(18) \$2,191,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for apprenticeship in Schedule (2) of Item 6870-101-0001,

Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as amended by Chapter 53 of the Statutes of 2019.

(19) \$1,835,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for apprenticeship in Schedule (2) of Item 6870-101-0001, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as amended by Chapter 33 of the Statutes of 2018.

(20) \$971,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for apprenticeship in Schedule (2) of Item 6870-101-0001, Budget Act of 2016 (Ch. 23, Stats. 2016), as amended by Chapter 53 of the Statutes of 2017.

(21) \$1,073,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for apprenticeship in Schedule (2) of Item 6870-101-0001, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), as amended by Chapter 24 of the Statutes of 2016 and Chapter 23 of the Statutes of 2017.

Provisions:

1. The sum of ~~\$8,954,000~~ \$86,156,000 is reappropriated for transfer by the Controller to Section B of the State School Fund for expenditure for the same purposes as funds allocated for apportionments in Schedule (1) of Item 6870-101-0001 of the Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), as amended by Chapter 71 of the Statutes of 2024 and the higher education omnibus trailer bill identified in Section 39.00 of this Budget Act as providing for appropriations related to this act. ~~to support an expansion of Credit for Prior Learning policies in the California Community College system.~~

2. The sum of ~~\$2,557,000~~ \$110,601,000 is reappropriated for transfer by the Controller to Section B of the State School Fund for expenditure for the same purposes as funds allocated for apportionments in Schedule (1) of Item 6870-101-0001 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), as amended by the higher education omnibus trailer bill identified in Section 39.00 of this Budget Act as providing for appropriations related to this act. ~~to support the development and implementation of a Systemwide Common Data Platform.~~

3. The sum of \$126,119,000 is reappropriated for transfer by the Controller to Section B of the State School Fund to support the repayment of the apportionments deferral as described in Provision 1.5 of Item 6870-101-0001 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024), as amended by the higher education omnibus trailer bill identified in Section 39.00 of this Budget Act as providing for appropriations related to this act."

May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Items 6870-301-6087 and 6870-301-6095, and Addition of Item 6870-493, Capital Outlay, California Community Colleges Chancellor's Office

Withdrawal of Coast Community College District, Golden West College: Fine Arts Renovation Project—It is requested that Item 6870-301-6087 be decreased by \$14,740,000 one-time 2016 California Community College Capital Outlay Bond Fund to reflect the withdrawal of the requested construction authority in fiscal year 2025-26 for this continuing project. The project is being put on hold due to the identification of soil liquefaction issues at the project site.

Withdrawal of Grossmont-Cuyamaca Community College District: Grossmont College: Gymnasium Replacement Project—It is requested that Item 6870-301-6095 be decreased by \$1,175,000 one-time 2024 California Community College Capital Outlay Bond Fund to reflect the withdrawal of the requested preliminary plans and working drawings authority in the Governor's Budget for this new project. The project is being suspended due to cost escalation and unforeseen infrastructural needs at the campus.

San Mateo County Community College District, Skyline College: Boiler Plant Replacement Project—It is requested that Item 6870-301-6095 be increased by \$61,000 one-time 2024 California Community College Capital Outlay Bond Fund for the preliminary plans and working drawings phases of the San Mateo County Community College District, Skyline College: Boiler Plant Replacement project. This supplemental appropriation is being requested as the initial Governor's Budget request provided less than the intended portion of state funding for the project. This project is a critical infrastructure project which addresses safety concerns at the campus.

Los Rios Community College District, American River College: Davies Hall Replacement Project—It is requested that Item 6870-301-6095 be increased by \$4,329,000 one-time 2024 California Community College Capital Outlay Bond Fund for the preliminary plans and working drawings phases of the Los Rios Community College District, American River College: Davies Hall Replacement project. This new project includes the demolition and replacement of the existing, vacant Davies Hall building. The building was vacated in 2022 upon the recommendation of the Division of the State Architect due to safety related infrastructural issues.

Siskiyou Joint Community College District, College of the Siskiyous, Remodel Theater and McCloud Hall Project Extension of Liquidation—It is requested that Item 6870-493 be added to extend the liquidation period of the encumbered balance of the working drawings authority for the Siskiyou Community College District, College of the Siskiyous, Remodel Theater and McCloud Hall project (see Attachment 1). The district has encountered an invoicing delay which will not be resolved before the end of the 2024-25 fiscal year.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable John Laird, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable David Alvarez, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Chris Ferguson, Executive Vice Chancellor of Finance and Strategic Initiatives, Finance and Facilities Planning Division, California Community Colleges Chancellor's Office
Hoang Nguyen, Director of Facilities Planning, Finance and Facilities Planning Division, California Community Colleges Chancellor's Office

6870-493—Reappropriation, Board of Governors of the California Community Colleges. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended to June 30, 2026.

6087—2016 California Community College Capital Outlay Bond Fund

- (1) Item 6870-301-6087, Budget Act of 2022 (Chs. 43, 45 and 249, Stats. 2022)
 - (1) 0010516-Siskiyou Joint Community College District, College of the Siskiyou:
 - Remodel Theater and McCloud Hall
 - (a) Working drawings

May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items and Statutory Changes, Local Assistance, California Student Aid Commission

Item 6980-101-0001, Local Assistance, Cal Grant Program (Issue 039)—It is requested that Item 6980-101-0001 be increased by \$228,733,000 ongoing to reflect revised Cal Grant program estimates in fiscal year 2025-26. Compared to the Governor's Budget, there is a one-time increased cost of \$94,754,000 in 2024-25.

Item 6980-101-0001, Local Assistance, Middle Class Scholarship Program (Issue 040)—It is requested that Item 6980-101-0001 be decreased by \$6,266,000 ongoing to reflect revised Middle Class Scholarship program estimates in 2025-26. Compared to the Governor's Budget, there is a one-time increased cost of \$76,968,000 in 2024-25.

Item 6980-101-0001, Local Assistance, Golden State Teacher Grant Program (Issue 041)—It is requested that Item 6980-101-0001 be increased by \$14,242,000 one-time to reflect revised Golden State Teacher Grant Program estimates in 2025-26. Compared to the Governor's Budget, there is a one-time decreased cost of \$8,668,888 in 2024-25.

Item 6980-601-0995, Federal Reimbursements for Local Assistance, Adjustment to Reflect Revised Estimates in the Chafee Foster Youth Program (Issue 042)—It is requested that Item 6980-101-0001 be increased by \$1,720,000 ongoing to reflect revised Chafee Foster Youth Program estimates for 2025-26. Compared to the Governor's Budget, there is a one-time increased reimbursement cost of \$1,416,000 reimbursement in 2024-25.

Item 6980-101-0001, Local Assistance, Adjustment to Reflect Revised Estimates in Law Enforcement Personnel Dependents Scholarship Awards (Issue 043)—It is requested that Item 6980-101-0001 be increased by \$58,000 ongoing to reflect revised Law Enforcement Personnel Dependents Scholarship awards in 2025-26. Compared to the Governor's Budget, there is a one-time increased cost of \$58,000 in 2024-25.

Item 6980-101-8099, Local Assistance, Public Interest Attorney Loan Repayment Program Administration (Issue 038)—It is requested that Item 6980-101-8099 be increased by \$209,000 ongoing to reflect revised estimates for the Public Interest Loan Attorney Loan Repayment Program in 2025-26. Compared to the Governor's Budget, there is a one-time decreased cost of \$2,000 in 2024-25.

Current Year

Item 6980-101-3263, Local Assistance, Cal-HBCU Transfer Grant Program (Issue 045)—It is requested that Item 6980-101-3263 be decreased by \$350,000 one-time to reflect revised Cal-HBCU Transfer Grant Program estimates in 2024-25. There is a decrease in program estimate costs as compared to the Governor's Budget.

Cal Grant Program Institutional Eligibility—It is requested that statutory changes be added to Education Code section 69432.7 to authorize the California Student Aid Commission to use the three-year cohort default rate certified in 2020 to determine institutional eligibility to receive Cal Grant awards in 2025-26 and in 2026-27.

Golden State Teacher Grant Program—It is requested that statutory changes be added to Education Code section 69617 to specify that for applications received from July 1, 2025 through June 30, 2026, qualified awardees shall receive one-time grant funds of \$10,000.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Jennifer Louie, Principal Program Budget Analyst, at (916) 445-0328.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
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Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Dr. Daisy Gonzales, Executive Director, California Student Aid Commission
Catalina Mistler, Chief Deputy Executive Director, California Student Aid Commission
Lilly Myers, Deputy Director, Administration, California Student Aid Commission