



May 14, 2024

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 Eliminate Various Budget Bill Items and Reimbursements, Support and Local Assistance, Statutory Changes, State Department of Education

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Item 6100-001-0001, Support, Broadband Infrastructure Grant Program (Issue 235)—It is requested that Schedule (1) of this item be decreased by \$5 million one-time to reflect a \$4,392,000 decrease in fiscal year 2024-25, and \$152,000 decrease annually through 2028-29. This decrease reflects the withdrawal of the Governor's Budget proposal to extend and expand the Broadband Infrastructure Grant program. The Broadband Infrastructure Grant program was established in 2019, and funded over 5 years through June 30, 2024, for the purpose of identifying and providing fiber broadband connectivity to California's most poorly connected school sites to support digital learning opportunities for students.

It is further requested that Provision 114 be eliminated to conform to this action.

Included below are the remaining adjustments included in the May Revision:

Federal Funds Adjustment

Item 6100-001-0890, Support, Federal Title II, Part A Funds to Support Golden State Teacher Grant Program (Issue 298)—It is requested that Schedule (1) of this item be increased by \$1 million one-time federal Part A, Title II funds to expand teacher recruitment efforts through the Golden State Teacher Grant Program.

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

33. Of the amount appropriated in Schedule (1) of this item, \$1,000,000 of the federal Title II (20 U.S.C. Sec. 6621 et seq.), Part A, funds shall be available to support grants through the Golden State Teacher Program. These funds shall be available for encumbrance and expenditure through June 30, 2026.

Item 6100-001-0890, Support, Special Education (Issues 379, 383, 384, and 388)—It is requested that Schedule (1) of this item be increased by \$1,282,000 ongoing federal Individuals with Disabilities Education Act (IDEA) funds to reflect: (1) an increase of \$760,000 for 5 existing positions to address special education complaint resolution workload; (2) an increase of \$272,000 for 2 existing positions to address federal grant disbursement workload; and (3) an increase of \$250,000 for licensing and maintenance of special education monitoring software.

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

34. Of the funds appropriated in Schedule (1), \$760,000 federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) is available to support workload associated with special education complaint resolution.

35. Of the funds appropriated in Schedule (1), \$272,000 federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) is available to support workload associated with disbursing federal Individuals with Disabilities Education Act mental health funds to local educational agencies.

36. Of the funds appropriated in Schedule (1), \$250,000 federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) is available for licensing and maintenance of special education monitoring software.

It is also requested that Schedule (1) of this item be increased by \$500,000 one-time federal IDEA funds to expand teacher recruitment efforts through the Golden State Teacher Grant Program.

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

37. Of the funds appropriated in Schedule (1), \$500,000 federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) is available on a one-time basis to be allocated by the Superintendent of Public Instruction to the California Student Aid Commission to support grants to special education teachers through the Golden State Teacher Grant Program. These funds shall be available for encumbrance or expenditure until June 30, 2026.

Item 6100-001-0890, Support, Office of Administrative Hearings (Issue 380)—It is requested that Schedule (1) of this item be increased by \$6,010,000 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 includes hearings, mediations, and related due process activities required by both state and federal law. The number of claims filed and the cost per case have increased over the past few years.

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

"4. Of the funds appropriated in this item, ~~\$13,514,000~~ \$19,524,000, of which \$6,010,000 is available on a one-time basis, of federal individuals with Disabilities Education Act funds are 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 56504.4 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, American Rescue Plan Act (ARPA) Emergency Assistance to Non-Public Schools II (Issue 626)—It is requested that Schedule (1) of Item 6100-001-0890 be increased by \$695,000 one-time federal ARPA carryover funds to support the administration of the Emergency Assistance to Non-Public Schools Program, which aims to provide services or assistance to eligible non-public schools to address the impacts of the COVID-19 pandemic.

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

38. Of the amount appropriated in Schedule (1), \$695,000 in federal carryover is provided on a one-time basis for state administrative expenses related to the Emergency Assistance to Non-Public Schools funds as provided under Section 2002(a) of the federal American Rescue Plan Act, 2021 (P.L. 117-2).

Item 6100-001-0890, Support, Supporting America's School Infrastructure (SASI) Grant Program (Issue 781)—It is requested that Schedule (1) of Item 6100-001-0890 be increased by \$4,993,000 one-time federal SASI funds to support the administration of America's School Infrastructure Grant Program, which provides services or assistance to Small School Districts (SSD) to address the needs for improving school facilities and environments through public school infrastructure improvements.

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

39. Of the fund appropriated in Schedule (1), \$4,993,000 is available on a one-time basis for California's Small School District Assistance Program. These funds shall be available for encumbrance or expenditure through June 30, 2029.

Item 6100-001-0890 and 6100-104-0890, Support and Local Assistance, Project Advancing Wellness and Resilience in Education (AWARE) Grant, Project Cal-Well; and Project Students, Teachers, and Officers Preventing School Violence Grant (Cal-STOP) Program (Issues 118, 120, 121 and 122)—It is requested that Schedule (1) of Item 6100-001-0890 be increased by \$800,000 federal Project AWARE Grant funds in 2024-25, and \$700,000 in 2024-25 through 2027-28, to support the administration of Project Cal-Well. Project Cal-Well is intended to expand access to mental health services for students through leveraging and aligning existing mental health investments and resources to improve student mental health outcomes, promote resiliency, reduce risk of suicide, and create a sustainable infrastructure.

It is also requested that Schedule (1) of Item 6100-001-0890 be increased by \$420,000 one-time federal carryover funds to support activities related to the Project Cal-STOP Program. Project Cal-STOP provides grants to nonprofit organizations to provide school violence prevention trainings and support schools in setting up mental health student organizations.

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

40. Of the funds appropriated in Schedule (1), \$800,000, of which \$100,000 is available on a one-time basis for state administrative expenses related to Project Cal-Well, and \$700,000 annually beginning in 2025-26 fiscal year through the 2027-28 fiscal year, is available to support state-level mental health efforts under Project Cal-Well.

41. Of the funds appropriated in Schedule (1), \$420,000 in federal carryover is provided on a one-time basis for state administrative expenses related to Project Cal-STOP. It is also requested that Item 6100-104-0890 be added in the amount of \$1.9 million federal Project AWARE funds to reflect an increase of \$1.1 million for the expansion of Project Cal-Well; an increase of \$500,000 one-time federal carryover funds to support Project Cal-STOP program activities; and \$300,000 one-time federal carryover funds to support Project AWARE grants for local educational agencies. Project AWARE is a five-year grant program aimed 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 these actions:

6100-104-0890—For local assistance, State Department of Education, payable from the Federal Trust Fund..... 1,900,000
Schedule:
(1)5205025—Project AWARE Grant..... 1,900,000

Provisions:

1. Of the funds appropriated in Schedule (1), \$1,100,000 is available to support Project Cal-Well.
2. Of the funds appropriated in Schedule (1), \$500,000 in federal carryover is provided on a one-time basis to support Project Cal-STOP.
3. Of the funds appropriated in Schedule (1), \$300,000 in federal carryover is provided on a one-time basis to support Project AWARE.

Item 6100-001-0890 and 6100-135-0890, Support and Local Assistance, American Rescue Plan Act Homeless Children and Youth (ARPA-HCY) Funding (Issues 216 and 217)—It is requested that Schedule (1) of Item 6100-001-0890 be increased by \$839,000 one-time federal ARPA-HCY carryover funds to support the administration of the ARPA-HCY Program, which provides wraparound services to address the impact of the COVID-19 pandemic, and helps enable homeless children and youth to attend school and participate fully in school activities.

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

42. Of the funds appropriated in Schedule (1), \$839,000 in federal carryover is provided on a one-time basis for state administrative expenses related to the American Rescue Plan Act Homeless Children and Youth Program.

It is also requested that Item 6100-135-0890 be added in the amount of \$2.5 million one-time federal ARPA-HCY carryover funds to continue supporting the Homeless Education Technical Assistance Centers and evaluation contract funded by this grant. This program supports local educational agencies' efforts to identify homeless students and ensure equal access to public education.

It is further requested that Item 6100-135-0890 be added as follows to conform to this action:

6100-135-0890—For local assistance, State Department of Education, federal American Rescue Plan Act of 2021 (P.L. 117-2), payable from the Federal Trust Fund.....2,500,000
Schedule:

(1) 5200139-McKinney-Vento Education for Homeless Children and Youth.....2,500,000
Provisions:

1. Of the funds appropriated in Schedule (1), \$2,500,000 in federal carryover is provided on a one-time basis to support the existing program.

Item 6100-001-0890 and 6100-201-0890, Support and Local Assistance, Farm to School Grant Program (Issue 213)—It is requested that Schedule (2) of Item 6100-001-0890 be increased by \$1.8 million one-time federal Farm to School Grant funds for the Department to develop a Farm to School strategic plan, document local procurement practices, and enhance technical assistance which includes effective local level approaches and strategies. The Farm to School Grant will fund training and technical assistance to build and increase the capacity of participating local educational agencies to procure and use local foods in the National School Lunch Program, as well as provide agricultural education opportunities for students.

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

43. Of the amount appropriated in Schedule (1), \$1,800,000 is provided on a one-time basis for state administrative expenses to support Farm to School practices for local educational agencies that participate in the federal school nutrition programs. These funds are available for encumbrance or expenditure through June 30, 2027.

It is also requested that Item 6100-201-0890 be increased by \$1,819,000 to provide incentive payments to local educational agencies.

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

1. Of the amount appropriated in Schedule (1), \$1,819,000 is available on a one-time basis to award to local educational agencies as an incentive payment to facilitate the development of local purchases of the school nutrition program. These funds are available for encumbrance or expenditure through June 30, 2026.

Item 6100-001-0890 and 6100-294-0890, Support and Local Assistance, Early Head Start-Child Care Partnership (EHS-CCP) (Issues 621 and 625)—It is requested that Schedule (2) of Item 6100-001-0890 be increased by \$1,990,000 Early Head Start—Child Care Partnership Grant funds to align to the federal grant award and support the administration of the EHS-CCP. EHS-CCP is a five-year grant program which provides funding to increase the quality of early childhood education services.

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

44. Of the funds appropriated in Schedule (2), \$1,990,000 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. The funds appropriated in this provision shall not be used for indirect department costs.

It is also requested that Schedule (1) of Item 6100-294-0890 be increased by \$21,000 to align to 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 added as follows to conform to this action:

1. Of the funds appropriated in Schedule (1), \$3,504,000 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.

Item 6100-112-0890, Local Assistance, Public Charter Schools (Issue 627)—It is requested that Item 6100-112-0890 be added in the amount of \$17.2 million Federal Trust Fund to reflect one-time federal Public Charter School carryover funds to continue supporting the Public Charter Schools program.

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

6100-112-0890—For local assistance, State Department of Education, payable from the Federal Trust Fund17,200,000
Schedule:

(1) 5205110-Public Charter Schools.....17,200,000

Provisions:

1. Of the funds appropriated in Schedule (1), \$17,200,000 in federal carryover provided on a one-time basis to support the existing program.

Items 6100-113-0890, Local Assistance, Student Assessment Program (Issue 514)—It is requested that Schedule (2) of this item be decreased by \$651,000 ongoing federal Title I, Part B funds to align to the federal grant award.

Item 6100-119-0890, Local Assistance, Program for Neglected and Delinquent Children (Issue 589)—It is requested that Schedule (1) of this item be decreased by \$77,000 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 220, 221, 222, 223, 224, and 225)—It is requested that Schedule (1) of this item be increased by \$18,847,000 federal Title I, Part C Migrant Education Program funds to reflect an \$11,067,000 increase in one-time carryover funds, and an ongoing increase of \$7,780,000 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:

3. Of the funds appropriated in Schedule (1), \$11,067,000 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 \$900,000 federal Title I, Part C Migrant Education Program State Level Activities funds to reflect a \$944,000 increase in one-time carryover funds and an ongoing decrease of \$44,000 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 further requested that provisional language be added as follows to conform to this action:

4. Of the funds appropriated in Schedule (2), \$944,000 in federal carryover is provided on a one-time basis to support the existing program.

It is also requested that Schedule (3) of this item be increased by \$11,234,000 federal Title III, Part A English Language Acquisition funds to reflect a \$14,189,000 increase in one-time carryover funds, and an ongoing decrease of \$2,955,000 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:

5. Of the funds appropriated in Schedule (3), \$14,189,000 in federal carryover is provided on a one-time basis to support the existing program.

Item 6100-134-0890, Local Assistance, Elementary and Secondary Education Act Program, Title I; and Student Support and Academic Enrichment, Title IV (Issue 516)—It is requested that Schedule (2) of this item be increased by \$145,879,000 ongoing federal Title I funds to align to the federal grant award and reflect the amount of federal Title I funds allocated for school support in proportion to the state's increased Title I Basic Grant award. 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 a technical change be made to this item to provide the accurate funding amount available for schools identified as requiring support.

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

~~"6. Of the funds appropriated in Schedule (2), no less than 6.65% (95% of 7%) of the Title I grant less the amount appropriated in Schedule (1)– no less than \$145,568,000 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."

It is also requested that Schedule (3) of this item be decreased by \$4,884,000 ongoing federal Title IV, Student Support and Academic Enrichment grant funds to align to the federal grant award.

Item 6100-136-0890, Local Assistance, McKinney-Vento Homeless Children Education (Issues 218 and 219)—It is requested that Schedule (1) of this item be increased by \$2,341,000 federal McKinney-Vento funds to reflect a \$1,261,000 increase in one-time carryover funds, and an ongoing increase of \$1,080,000 to align to 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), \$1,261,000 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 (Issues 214 and 215)—It is requested that Schedule (1) of this item be increased by \$12,000 federal Rural and Low-Income Schools Grant funds to reflect a \$190,000 increase in one-time carryover funds, and an ongoing decrease of \$178,000 to align with the federal grant award. This program provides rural school districts with financial assistance for initiatives aimed at improving student achievement.

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

1. Of the funds appropriated in Schedule (1), \$190,000 in federal carryover is provided on a one-time basis to support the existing program.

Item 6100-149-0890, Local Assistance, American Rescue Plan Act (ARPA) Carryover for After School Programs (Issue 628)—It is requested that Item 6100-149-0890 be added in the amount of \$28,784,000 one-time federal ARPA carryover funds to continue supporting after school and summer programs.

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

6100-149-0890—For local assistance, State Department of Education, American Rescue Plan Act for After School and Child Care Programs, payable from the Federal Trust Fund.....28,784,000

Schedule:

(1) 5210048-After School Programs.....28,784,000

Provisions:

1. Of the funds appropriated in Schedule (1), \$28,784,000 in federal carryover is provided on a one-time basis to support after school and summer programs.

Item 6100-156-0890, Local Assistance, Adult Education Program (Issues 783 and 784)—It is requested that this item be increased by \$11,219,000 federal Workforce Innovation and Opportunity Act, Title II funds to reflect a \$11 million increase in one-time carryover funds, and a \$219,000 ongoing increase to align to the federal grant award. 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 Schedule (1), \$11,000,000 in one-time federal carryover is available to support the existing program.

It is also requested that Provision 4 of this item be amended to include language to clarify compliance with the Workforce Innovation and Opportunity Act (WIOA), specifically as it relates to demonstrated effectiveness used as a 'screener' for applications.

“4. When the State Department of Education Request for Application (RFA) is publicly available, the RFA for these funds shall include the incorporation of core federal performance metrics, including placement in postsecondary education, transition into employment, and retention of employment included in the performance targets of participating agencies. The RFA shall also request information regarding the extent to which applicants are coordinating services as part of consortia established pursuant to Article 3 (commencing with Section 84830) of Chapter 5 of Part 50 of Division 7 of Title 3 of the Education Code and indicate that priority will be given to applicants that provide evidence of demonstrated effectiveness through performance data on its record of improving skills of eligible individuals, particularly those who have low levels of literacy. ~~meaningful coordination.~~ The Workforce Innovation and Opportunity Act (WIOA) California State Plan ~~and the department's adult education planning document, "Linking Adults to Opportunity,"~~ shall serve as source documents of the RFA.”

Item 6100-161-0890, Local Assistance, Special Education (Issues 385 and 386)—It is requested that Schedule (1) of this item be decreased by \$8,970,000 ongoing federal IDEA funds to align with the federal grant award.

It is also requested that Schedule (4) of this item be increased by \$234,000 one-time federal IDEA funds to reflect the availability of carryover funds.

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), \$234,000 is available in one-time carryover funds.”

Item 6100-166-0890, Local Assistance, Vocational Education Program (Issue 387)—It is requested that Schedule (1) of this item be increased by \$4,680,000 ongoing federal Perkins V funds to align with the federal grant award.

Item 6100-195-0890, Local Assistance, Part A of Title II Supporting Effective Instruction Federal Grant (Issue 295, 296 and 297)—It is requested that Schedule (1) of this item be increased by \$1,945,000 to reflect a decrease of \$3,372,000 to align with the federal grant award and an increase of \$5,317,000 one-time federal carryover funds.

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

4. Of the funds appropriated in Schedule (1), \$5,317,000 in one-time federal carryover is available for supporting effective instruction local grants.

It is also requested that Schedule (3) of this item be decreased by \$19,000 to reflect the decrease of \$1,236,000 to align with the federal grant award and an increase of \$1,217,000 one-time federal carryover funds for the 21st Century California School Leadership Academy.

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

5. Of the funds appropriated in Schedule (3), \$1,217,000 in one-time federal carryover is available for the 21st Century California Leadership Academy pursuant to Section 44690 of the Education Code.

Item 6100-197-0890, Local Assistance, 21st Century Community Learning Centers (Issues 629 and 630)—It is requested that Schedule (1) of this item be increased by \$2,559,000 21st Century Community Learning Centers Grant funds to reflect a \$6.5 million increase in one-time federal carryover funds, and an ongoing decrease of \$3,941,000 to align to 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), \$6,500,000 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 228)—It is requested that Schedule (1) of this item be increased by \$120,158,000 ongoing Federal Trust Fund to reflect a revised estimate of total meals served between free, reduced-price, and paid meal categories.

General Fund and Other Adjustments

Item 6100-001-0001 and Reimbursements, Support, Support for Department Broadband Coordinator (Issue 236)—It is requested that Schedule (5) of Item 6100-001-0001 be increased by \$152,000 ongoing reimbursement authority to support the Department's Broadband Coordinator position. Revenue received from e-Rate and the California Teleconnect Fund from completed projects funded by the Broadband Infrastructure Grant program will support this position and administrative costs for the Corporation for Education Network Initiatives in California until funds are fully exhausted. The Broadband Coordinator supports the Broadband Infrastructure Grant program and represents Education on statewide broadband efforts.

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

113. Of the funds appropriated in Schedule (5), \$152,000 is provided to support the Department's Broadband Coordinator position.

Item 6100-001-0001 and Reimbursements, Support, Preschool Development Grant Reimbursement Authority (Issue 635)—It is requested that Schedule (6) of this item be amended to decrease reimbursement authority by \$1,710,000 in 2024-25, and \$1,729,000 in 2025-26 and ongoing, to align with the remaining contract for the Preschool Development Grant.

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

114. Of the amount provided in this item, \$19,000 in reimbursements is provided in the 2024-25 fiscal year to support the Preschool Development Grant.

Item 6100-005-0001, Support, State Special Schools (Issues 265 and 266)—It is requested that Schedule (2) of Item 6100-005-0001 be increased by \$9,000 ongoing, and Schedule (3) of Item 6100-005-0001 be increased by \$8,000 ongoing, to reflect revised employee compensation costs.

Item 6100-106-0001, Local Assistance, State Department of Education (Proposition 98), Marin County Office of Education, California Collaborative for Educational Excellence (Issue 513)—It is requested that Schedule (1) of this item be decreased by \$3,701,000 one-time Proposition 98 General Fund to reflect a one-time drawdown of \$2,951,000 from California Collaborative for Educational Excellence's carryover balances from the 2019, 2020, and 2021 Budget Acts to support this schedule; and the drawdown of \$750,000, one-time Proposition 98 General Fund, for the Reading Difficulties Risk Screener Selection Panel, from their 2021 Budget Act carryover balance.

It is also requested that Schedule (2) of this item be decreased by \$4,302,000 one-time Proposition 98 General Fund to reflect a one-time drawdown of \$3,302,000 from the California Collaborative for Educational Excellence's carryover balance from the 2019 Budget Act to support this schedule; and the drawdown of \$1 million, one-time Proposition 98 General Fund, for additional Direct Technical Assistance workload, from their 2020 Budget Act carryover balance.

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

7. For the 2024–25 fiscal year, the administrative agent selected pursuant to Section 52074 of the Education Code may use up to \$1,000,000 in existing funds appropriated pursuant to Item 6100-106-0001 of the Budget Act of 2020 (Chs. 6 and 7, Stats. 2020) to supplement funds appropriated pursuant to Schedule (2) for activities outlined in the operating budget developed pursuant to Provision 1 consistent with Section 52072, Section 52072.5, and paragraph (1) of subdivision (g) of Section 52074 of the Education Code.

8. For the 2024–25 fiscal year, the administrative agent selected pursuant to Section 52074 of the Education Code may use up to \$750,000 in existing funds appropriated pursuant to Item 6100-106-0001 of the Budget Act of 2021 (Chs. 21 and 69, Stats. 2021) for the purpose of supporting the work of the Reading Difficulties Risk Screener Selection Panel, as appointed by the State Board of Education pursuant to subdivision (b) of Education Code Section 53008.

9. For the 2024-25 fiscal year, the administrative agent selected pursuant to Section 52074 of the Education Code may use up to \$2,951,000 in existing funds appropriated pursuant to Items 6100-106-0001 of the Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), the Budget Act of 2020 (Chs. 6 and 7, Stats. 2020) and the Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) to supplement funds appropriated pursuant to Schedule (1), for activities in the operating budget developed pursuant to Provision 1.

10. For the 2024-25 fiscal year, the administrative agent selected pursuant to Section 52074 of the Education Code may use up to \$3,302,000 in existing funds appropriated pursuant to Item 6100-106-0001 of the Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), and the Budget Act of 2020 (Chs. 6 and 7, Stats. 2020) to supplement funds appropriated pursuant to Schedule (2) for activities in the operating budget developed pursuant to Provision 1.

Items 6100-113-0001, Local Assistance, Student Assessment Program (Issue 517)—It is requested that Schedule (2) of this item be increased by \$651,000 ongoing Proposition 98 General Fund to align with estimated contract costs for the English Language Proficiency Assessment for California administration in 2024-25.

Item 6100-119-0001, Local Assistance, Foster Youth Services Coordinating Program (Issue 230)—It is requested that Schedule (1) of this item be increased by \$100,000 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, ~~\$244,000~~ \$344,000 is to reflect a cost-of-living adjustment.”

Item 6100-136-0001, Local Assistance, Homeless Education Technical Assistance Centers (Issue 234)—It is requested that Item 6100-136-0001 be eliminated to provide a decrease of \$1.5 million ongoing Proposition 98 General Fund to reflect the withdrawal of the Governor’s Budget proposal to fund the Homeless Education Technical Assistance Centers (HETACs) with Proposition 98 General Fund. The HETACs were established with one-time federal American Rescue Plan Homeless Children and Youth (ARP-HCY) funds to support local educational agencies’ efforts to identify homeless students and ensure equal access to public education. This proposal has been withdrawn since federal ARP-HCY carryover funds were identified to be available to support the HETACs in the budget year (see related Issue 217).

Item 6100-150-0001, Local Assistance, American Indian Early Childhood Education Program (Issue 231)—It is requested that Schedule (1) of this item be increased by \$3,000 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, ~~\$5,000~~ \$8,000 is to reflect a cost-of-living adjustment.”

Item 6100-151-0001, Local Assistance, American Indian Education

Centers (Issue 232)—It is requested that Schedule (1) of this item be increased by \$17,000 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, ~~\$39,000~~ \$56,000 is to reflect a cost-of-living adjustment.”

Item 6100-161-0001, Local Assistance, Special Education (Issues 445, 446, 447, 448, and 449)—It is requested that Schedule (1) of this item be increased by \$134,261,000 ongoing Proposition 98 General Fund. This adjustment includes: (1) an increase of

\$117,060,000 to reflect increased estimates of growth in average daily attendance; (2) an increase of \$19,667,000 to reflect an increase in the cost-of-living adjustment; and (3) a decrease of \$2,466,000 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 ~~\$131,360,000~~ \$134,413,000 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 (SELPAs) 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 ~~\$158,373,000~~ \$162,053,000 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), ~~\$442,876,000~~ \$453,169,000 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 ~~beginning in the 2024–25 fiscal year~~ 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 ~~0.542~~ 2.563 percent for the annual adjustment in statewide average daily attendance.”

“18. Of the funds provided for in Schedule (1), ~~\$45,143,000~~ \$64,810,000 is to reflect a cost-of-living adjustment.”

“22. Of the amount specified in Schedule (1), up to ~~\$3,503,000~~ \$3,514,000 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 increased by \$2,416,000 ongoing Proposition 98 General Fund. This adjustment includes (1) an increase of \$2,074,000 to reflect increased estimates of growth in average daily attendance, and (2) an increase of \$342,000 to reflect an increase in the cost-of-living adjustment.

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

“19. Of the funds provided for in Schedule (3), ~~\$784,000~~ \$1,126,000 is to reflect a cost-of-living adjustment.”

Item 6100-172-0001, Local Assistance, California College Guidance Initiative (Issue 233)—It is requested that Schedule (1) be decreased by \$3 million Proposition 98 General Fund to account for one-time carryover available to support the California College Guidance Initiative (CCGI) in the budget year that was not previously considered in the Governor’s Budget proposal. CCGI manages CaliforniaColleges.edu, which is the platform designed to smooth the path to college and career for California students. This platform is a component of the California Cradle-to-Career Data System, which is intended to address multiple barriers that students experience and provide educators and educational systems with the tools and data needed to streamline processes related to admissions, placement, guidance, financial aid, and other supportive services.

Item 6100-194-0001, Local Assistance, Non-Local Educational Agency State Preschool Program Funding (Issue 633)—It is requested that Schedule (1) of this item be increased by \$18,616,000 to reflect revised estimates to administer the California State Preschool Program.

It is also requested that provisional language be added that specifies the amount of funding available to reduce family fees:

8. Of the amount appropriated in Schedule (1), \$14,041,000 is available for the family fee policy to reduce child care fees to one percent of monthly income for families with adjusted monthly income at or above 75 percent of the state median family income pursuant to Section 8252 of the Education Code.

Item 6100-196-0001, Local Assistance, Local Educational Agencies State Preschool Program Funding (Issues 622 and 634)—It is requested that Schedule (1) of this item be decreased by \$9,233,000 Proposition 98 General Fund to reflect the following: (1) an increase of \$64,471,000 ongoing Proposition 98, which is a technical baseline adjustment to support the current requirements for the California State Preschool Program, and (2) a decrease of \$73,704,000 one-time Proposition 98 General Fund due to revised caseload estimates of three-year-old children and children with exceptional needs.

It is also requested that provisional language be added that specifies the amount of funding available to reduce family fees:

6. Of the amount appropriated in Schedule (1), \$15,833,000 is available for the family fee policy to reduce child care fees to one percent of monthly income for families with adjusted monthly income at or above 75 percent of the state median family income pursuant to Section 8252 of the Education Code.

Item 6100-203-0001, Local Assistance, School Nutrition Reimbursement (Issues 226 and 227)—It is requested that Schedule (1) of this item be increased by \$63,271,000 ongoing Proposition 98 General Fund to reflect (1) an increase of \$57,174,000 to reflect a projected increase in total meals reimbursed in the free, reduced-price and paid meal categories, and (2) an increase of \$6,097,000 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 this action:

“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 nine thousand seven hundred and ~~sixty-ninety ten-thousandths cents (\$0.9760)~~ (\$0.9790) per meal.”

“9. Of the funds appropriated in this item, ~~\$13,447,000~~ \$19,544,000 is to reflect a cost-of-living adjustment.”

“10. The funds appropriated in this item reflect a growth adjustment of ~~\$122,230,000~~ \$179,404,000 to reflect the projected number of meals served under the Universal Meals program.”

Item 6100-296-0001, Local Assistance, Mandate Block Grant Funding (Issues 182 and 186)—It is requested that Schedule (1) of this item be increased by \$4,339,000 ongoing Proposition 98 General Fund to reflect (1) an increase of \$3,494,000 to align mandate block grant funding with revised average daily attendance estimates, and (2) an increase of \$845,000 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 this action:

“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 ~~\$38.10~~ \$38.21 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$73.39~~ \$73.62 per unit of average daily attendance of pupils in grades 9 to 12, inclusive.

(b) A county office of education shall receive:

(1) ~~\$38.10~~ \$38.21 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$73.39~~ \$73.62 per unit of average daily attendance of pupils in grades 9 to 12, inclusive.

(2) \$1.28 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 ~~\$20.00~~ \$20.06 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$55.59~~ \$55.76 per unit of average daily attendance of pupils in grades 9 to 12, inclusive."

"4. Of the funds appropriated in this item, ~~\$1,980,000~~ \$2,825,000 is to reflect a cost-of-living adjustment."

"5. The funds appropriated in this item reflect a growth adjustment of ~~\$705,000~~ \$4,199,000 due to revised average daily attendance."

Items 6100-485 and 6100-605-0001, Local Assistance, Reappropriation (Issue 707)—It is requested that Item 6100-485 be amended, and non-Budget Act Item 6100-605-0001 be increased by \$403,000 to reflect additional available Proposition 98 reversion account funds.

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

"(1) The sum of ~~\$14,096,000~~ \$14,499,000 is hereby appropriated to the Superintendent of Public Instruction for allocation to school districts and charter schools in the 2024-25 fiscal year pursuant to Section 42238.02 of the Education Code pursuant to the provisions provided in the 2024 Education Omnibus trailer bill for this purpose."

Items 6100-488 and 6100-602-0001, Local Assistance, Reappropriation (Issues 707 and 830)—It is requested that Item 6100-488 be amended, as specified in Attachment 1, and non-Budget Act Item 6100-602-0001 be increased by \$316,855,000 one-time Proposition 98 General Fund savings to reflect (1) an increase of \$62,108,000 to support budget year local control funding formula costs and (2) an increase of \$254,747,000 to support the electric school bus grant program.

Item 6100-101-8141, Local Assistance, JUUL Settlement Funds (Issue 185)—It is requested that Item 6100-101-8141 be added in the amount of \$3 million one-time Electronic Cigarette Settlements Funds annually beginning in 2025-26 through 2029-30 and \$2 million in 2030-31, to reflect funding provided as a result of the State of California JUUL settlement. The funding from this settlement is intended to support existing youth education and outreach, as well as development of new educational campaigns in tobacco prevention for California student communities.

It is further requested that Item 6100-101-8141 be added as follows to conform to this action:

6100-101-8141—For local assistance, State Department of Education, payable from the Electronic Cigarette Settlements Fund.....0

Schedule:

(1) 5205026—Tobacco Use Prevention and Reduction Program.....0

Provisions:

1. It is the intent of the Legislature to provide \$17,000,000 over a multi-year period beginning in 2025-26 to support youth education and outreach activities related to tobacco prevention including the Youth Vaping Alternative Prevention Education, the Stanford Tobacco Prevention Toolkit, mass mailings to families in California with student-aged children, and expansion of the Rural Initiative grant program.
2. It is the intent of the Legislature that these funds will be available for encumbrance or expenditure for three fiscal years beyond the date of appropriation.

Item 6100-101-0231 and 6100-102-0231, Local Assistance, Tobacco-Use Prevention Education Program (Issues 187 and 188)—It is requested that Schedule (1) of Item 6100-101-0231 be increased by \$174,000 ongoing Health Education Account, Cigarette and Tobacco Products Surtax Fund and Schedule (1) of Item 6100-102-0231 be increased by \$557,000 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 6100-601-0001, Local Assistance, School District Local Control Funding Formula (LCFF), Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 549, 550, 551, 552, and 553)—It is requested that this non-Budget Act item be decreased by \$2,457,857,000 Proposition 98 General Fund to reflect the following: (1) an increase of \$1,202,720,000 to reflect increased growth and an increased cost-of-living adjustment estimate; (2) an increase of \$111,448,000 to reflect increased funding for the Local Control Funding Formula add-on adjustment for school districts; (3) a decrease of \$219,016,000 to reflect increased offsetting property tax revenues; (4) a decrease of \$3,562,042,000 to reflect increased offsetting Education Protection Account revenues; and (5) an increase of \$9,033,000 to reflect increased Minimum State Aid estimates.

Item 6100-601-0001, Local Assistance, Transitional Kindergarten (TK) Expansion and Ratio Reduction (Issues 554 and 555)—It is requested that this non-Budget Act Item be decreased by \$911,268,000 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 556)—It is requested that this non-Budget Act item be decreased by \$75,341,000 Proposition 98 General Fund to reflect decreased Home-to-School Transportation cost estimates.

Item 6100-601-0001, Local Assistance, Fund LCFF with Public School System Stabilization Account (PSSSA) Withdrawal and Reappropriate Funds to Support the LCFF (Issues 708 and 827)—It is requested that this non-Budget Act item be decreased by \$29.7 million to reflect support for 2024-25 Local Control Funding Formula costs using an increase of \$32,811,000 in available Public School System Stabilization Account (PSSSA) funds, and a reduction of \$62,511,000 in reappropriated funds.

Item 6100-608-0001, Local Assistance, County Office of Education LCFF, Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 457, 458, 560, 561, 562, and 563)—It is requested that this non-Budget Act item be increased by \$16,137,000 Proposition 98 General Fund to reflect the following: (1) an increase of \$25,030,000 to reflect an increased cost-of-living adjustment and decreased growth; (2) a decrease of \$16,356,000 to reflect increased offsetting property tax revenues; (3) a decrease of \$9,141,000 to reflect increased offsetting Education Protection Account revenues; (4) an increase of \$4,986,000 to reflect increased Minimum State Aid estimates; (5) an increase of \$10,150,000 to reflect increased state system of support activity costs for charter schools; and (6) an increase of \$1,468,000 to reflect increased state system of support activity costs for school districts.

Item 6100-608-0001, Local Assistance, County Offices of Education Technical Adjustment (Issue 568)—It is requested that this non-Budget Act item be decreased by \$56,385,000 to reflect a technical adjustment to the county office of education Local Control Funding Formula total.

Item 6100-608-0001, Local Assistance, County Office of Education, Home-to-School Transportation Program (Issue 570)—It is requested that this non-Budget Act item be increased by \$25,354,000 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 Revenue Adjustment, Continuous Appropriation (Issue 567)—It is requested that this non-Budget Act item be increased by \$3,571,084,000 ongoing Education Protection Account to reflect revised revenue estimates.

Item 6100-628-0001, Local Assistance, Arts and Music in Schools Funding Guarantee and Accountability Act (Proposition 28) Adjustment (Issue 825)—It is requested that this non-Budget Act item be decreased by \$24,104,000 to reflect revised Arts and Music in Schools—Funding Guarantee and Accountability Act estimates.

Item 6100-645-0001, Equity Multiplier (Issue 569)—It is requested that this non-Budget Act item be increased by \$930,000 ongoing Proposition 98 General Fund to reflect the application of the revised cost-of-living adjustment to the Equity Multiplier program.

Item 6100-601-3437, Local Assistance, Gun Violence Prevention and School Safety Funding for Youth Behavioral Health Training (Issues 169 and 180)—It is requested that this non-Budget Act Item 6100-601-3437 be added in the amount of \$28,245,000 one-time Gun Violence Prevention and School Safety Fund in 2025-26, to reflect revised revenue estimates generated from the excise tax on retail sales of firearms and ammunition going into effect on July 1, 2024. The Department of Education is provided up to \$50 million from available revenues for a variety of uses related to school-based mental health and physical safety activities. These funds are intended to be allocated to local educational agencies to support youth behavioral health professional development pursuant to the 2024 Education Omnibus Trailer Bill.

Item 6100-601-3207 and 6100-698-3207, Local Assistance, Education Protection Account Adjustment, Continuous Appropriation (Issue 565)—It is requested that non-Budget Act Item 6100-601-3207 be increased by \$3,571,084,000 ongoing Education Protection Account to reflect revised revenue estimates.

It is also requested that non-Budget Act Item 6100-698-3207 be decreased by \$3,571,084,000 ongoing Education Protection Account to reflect revised revenue estimates.

Chaptered Legislation

The May Revision proposes the following adjustments to enable departments to implement recently chaptered legislation:

Education of Newcomer Pupils: Chapter 342, Statutes of 2023 (AB 714)—It is requested that Schedule (1) of Item 6100-001-0001 be increased by \$321,000 ongoing and 2 positions.

Inclusive Materials in Schools: Chapter 229, Statutes of 2023 (AB 1078)—It is requested that Schedule (1) of Item 6100-001-0001 be increased by \$392,000 ongoing and 2 positions.

Lesbian, Gay, Bisexual, Transgender, and Questioning Plus Online Trainings: Chapter 220, Statutes of 2023 (AB 5)—It is requested that Schedule (1) of Item 6100-001-0001 be increased by \$770,000 one-time.

Classified Employee Staffing Ratio Workgroup: Chapter 364, Statutes of 2023 (AB 1273)—It is requested that Schedule (1) of Item 6100-001-0001 be increased by \$102,000 in 2024-25 and 2025-26.

Dual Language Learner Implementation: Chapter 435, Statutes of 2023 (AB 393)—It is requested that Schedule (2) of Item 6100-001-0001 be increased by \$185,000, of which \$182,000 is ongoing, and 1 position.

California Interscholastic Federation Statewide Incident Report: Chapter 366, Statutes of 2023 (AB 1327)—It is requested that Schedule (1) of Item 6100-001-0001 be increased by \$148,000 one-time.

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

115. Of the amount appropriated in Schedule (1), \$321,000 and 2.0 positions are available to support new ongoing workload associated with the implementation of Chapter 342, Statutes of 2023.

116. Of the amount appropriated in Schedule (1), \$392,000 and 2.0 positions are available to support new ongoing workload associated with the implementation of Chapter 229, Statutes of 2023.

117. Of the funds appropriated in Schedule (1), \$770,000 is available on a one-time basis to support costs associated with developing an online training delivery platform and curriculum to support lesbian, gay, bisexual, transgender, queer, and questioning (LGBTQ+) cultural competencies for teachers and other certificated employees in grades 7 through 12 by July 1, 2025, pursuant to Chapter 220, Statutes of 2023.

118. Of the funds appropriated in Schedule (1), \$102,000 is available for fiscal year 2024-25 and 2025-26 to support 1.0 existing position to convene the Classified Employee Staffing Ratio Workgroup, pursuant to Chapter 364, Statutes of 2023.

119. Of the amount appropriated in Schedule (2), \$185,000 is provided in fiscal year 2024-25 and 1.0 position, and \$182,000 ongoing to support new ongoing workload associated with the implementation of Chapter 435, Statutes of 2023.

120. Of the amount appropriated in Schedule (1), \$148,000 is available on a one-time basis for state administrative expenses related to creating and publishing a standardized incident form pursuant to Chapter 366, Statutes of 2023.

Current Year Adjustments

Item 6100-203-0001, Local Assistance, School Nutrition Reimbursement (Issue 229)—It is requested that Schedule (1) of this item be increased by \$53,839,000 one-time Proposition 98 General Fund to reflect revised cost estimates to fully fund school meal reimbursement claims for the 2023-24 school year. The adjustment reflects a projected increase in total meals reimbursed by the State for the Universal Meals Program.

Item 6100-601-0001, Local Assistance, School District LCFF, Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 549, 550, 551, 552, 553)—It is requested that this non-Budget Act item be increased by \$1,560,569,000 Proposition 98 General Fund to reflect the following: (1) an increase of \$711,905,000 to reflect growth and an increased cost-of-living adjustment estimate; (2) an increase of \$70,909,000 to reflect an increase for LCFF add-ons for school districts; (3) a decrease of \$49,003,000 to reflect increased offsetting property tax revenues; (4) an increase of \$833,031,000 to reflect decreased offsetting Education Protection Account revenues; and (5) a decrease of \$6,273,000 to reflect increased Minimum State Aid estimates.

Item 6100-601-0001, Local Assistance, Transitional Kindergarten (TK) Expansion and Ratio Reduction (Issues 554 and 555)—It is requested that this non-Budget Act item be decreased by \$765,956,000 Proposition 98 General Fund to reflect revised caseload estimates for the second year of TK expansion and TK teacher-student ratio reduction costs.

Item 6100-601-0001, Local Assistance, Home-to-School Transportation Program (Issue 556)—It is requested that this non-Budget Act item be decreased by \$76,646,000 Proposition 98 General Fund to reflect decreased Home-to-School Transportation cost estimates.

Item 6100-601-0001, Local Assistance, Fund LCFF with Public School System Stabilization Account Withdrawal (Issue 708)—It is requested that this non-Budget Act item be decreased by \$2,446,805,000 to reflect support for current year Local Control Funding Formula costs available from the Public School System Stabilization Account.

Item 6100-601-0001, Local Assistance, LCFF Technical Adjustment (Issue 823)—It is requested that this non-Budget Act item be increased by \$388,000 to reflect a technical adjustment to the current year Local Control Funding Formula costs.

Item 6100-608-0001, Local Assistance, County Office of Education LCFF, Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 457, 458, 560, 561, 562, and 563)—It is requested that this non-Budget Act item be increased by \$20,800,000 Proposition 98 General Fund to reflect the following: (1) a decrease of \$12,313,000 to reflect an increased cost-of-living adjustment and decreased growth; (2) a decrease of \$9,366,000 to reflect increased offsetting property tax revenues; (3) an increase of \$2,347,000 to reflect decreased offsetting Education Protection Account revenues; (4) an increase of \$14,777,000 to reflect increased Minimum State Aid estimates; (5) an increase of \$15,205,000 to reflect increased state system of support activity costs for charter schools; and (6) an increase of \$15,205,000 to reflect increased state system of support activity costs for school districts.

Item 6100-608-0001, Local Assistance, County Office of Education Home-to-School Transportation Program (Issue 570)—It is requested that this non-Budget Act be increased by \$25,085,000 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 Revenue Adjustment, Continuous Appropriation (Issue 567)—It is requested that this non-Budget Act item be decreased by \$835,477,000 Education Protection Account to reflect revised revenue estimates.

Item 6100-601-3207 and 6100-698-3207, Local Assistance, Education Protection Account Adjustment, Continuous Appropriation (Issue 565)—It is requested that non-Budget Act Item 6100-601-3207 be decreased by \$835,477,000 ongoing Education Protection Account to reflect revised revenue estimates.

It is also requested that non-Budget Act Item 6100-698-3207 be increased by \$835,477,000 ongoing Education Protection Account to reflect revised revenue estimates.

Prior Year Adjustments

Item 6100-601-0001, Local Assistance, Adjust Funding for Local Control Funding Formula (Issue 826)—It is requested that statutory changes transmitted with the Governor's Budget be amended to Item 6100-601-0001, Budget Act of 2022, by \$666,212,000 Proposition 98 General Fund to reflect revised estimates of available Proposition 98 resources.

It is also requested that statutory amendments transmitted with the Governor's Budget be amended to reflect this action.

Statutory Changes

Attendance Recovery and Instructional Continuity—It is requested that statutory changes transmitted with the Governor's Budget be amended to more accurately align the statutory requirements with the intent of the proposal and clarify several components of the proposal. These changes include, but are not limited to, delaying the implementation of the attendance recovery program to begin July 1, 2025; clarifying the limitations of daily attendance generation through attendance recovery; and permitting Saturday and Sunday program attendance through an attendance recovery program to count for the purposes of reporting chronic absenteeism. On the instructional continuity proposal, the changes include, but are not limited to providing a definition for participation in a nonclassroom-based program; clarifying that local educational agencies must establish policies for when students must complete synchronous or asynchronous instruction for the purpose of apportionment; and clarifying the conditions for participating in instructional continuity programs that last for more than 15 days.

Broadband Infrastructure Grant Program—It is requested that statutory changes transmitted with the Governor's Budget be amended to (1) remove the expansion of the program; and (2) specify that revenues received by the Corporation for Education Network Initiatives in California (CENIC) for completed projects be used to sustain administrative costs for both the Department of Education and CENIC, in addition to broadband projects, until fully exhausted.

California Community Schools Partnership Program, Grant Flexibility—It is requested that statutory changes transmitted with the Governor's Budget be amended to provide flexibility between implementation grants and extension grants by specifying that at least 70 percent of the funding be available for implementation grants to qualified entities; and up to 20 percent of the funding be provided for 2-year extension grants following the implementation grant period.

California State Parks Pass—It is requested that statutory changes transmitted with the Governor's Budget be amended to (1) indicate support for the continuation of the Adventure Pass Program for public school fourth graders, and (2) name the County Office of Education that will contract with the Department of Parks and Recreation.

California State Preschool Program—It is requested that statutory changes transmitted with the Governor's Budget be amended to reflect a one-time reduction in the amount of \$2,551,000 Proposition 98 General Fund in 2023-24. It is also requested that statutory changes be added to (1) clarify the enrollment priority for three- and four-year-old children without exceptional needs, and (2) eliminate the requirement for California State Preschool Programs to reserve 7.5 percent and 10 percent enrollment for students with exceptional needs in 2025-26 and 2026-27, respectively.

Curriculum-Embedded Performance Tasks for Science - County Identification—It is requested that statutory changes transmitted with the Governor's Budget be amended to name the county office of education that will contract one or more non-profit organizations with the specified expertise.

Educator Workforce Investment Grant Encumbrance Extension—It is requested that statutory changes transmitted with the Governor's Budget be amended to extend the encumbrance deadline of grant funds from 2024-25 to 2025-26.

Expanded Learning Opportunities Grant Program—It is requested that statutory changes transmitted with the Governor's Budget be amended to (1) align final expenditure reporting deadlines with the Department's quarterly expenditure reporting cycle, and (2) align final expenditure reporting for American Rescue Plan Elementary and Secondary School Emergency Relief Funds with the extended liquidation timeline.

Expanded Learning Opportunities Program (ELOP)—It is requested that statutory changes transmitted with the Governor's Budget be amended to: (1) clarify that any encumbered funds from 2021-22 and 2022-23, be expended by September 30, 2024, (2) require school districts and charter schools to expend funds within two fiscal years, starting in 2023-24, and (3) provide legislative intent to require school districts and charter schools to annually declare their operational intention to run an ELOP, starting in 2025-26, and to the extent possible, the reallocation of available funds.

Homeless Education Technical Assistance Centers (HETACs)—It is requested that statutory changes transmitted with the Governor's Budget be amended to: (1) remove reference to Proposition 98 General Fund, and restore the reference to the federal ARPA-HCY funding to support the HETACs, (2) specify the HETACs will provide technical assistance to county offices of education homeless liaisons rather than school district homeless liaisons, and (3) restore the requirement that the HETACs be operative during the duration of the availability of ARPA-HCY funding, estimated to end March 2026.

Inclusive College Technical Assistance Center—It is requested that statutory changes transmitted with the Governor's Budget be amended to: (1) clarify that inclusive college programs must have at least one-half of their participation in the program take place in settings with non-disabled peers; (2) specify that the center should collaborate with local Department of Rehabilitation Offices; and (3) add a workgroup of current inclusive college programs to collect and share best practices, determine areas of greatest need for technical assistance and explore methods of capacity building for existing programs.

Learning Recovery Supports Clarifications—It is requested that statutory changes transmitted with the Governor's Budget be amended to make technical clarifications regarding when the use and expenditure of Learning Recovery Emergency Block Grant funds are subject to the requirements of the proposed paragraph (2) of subdivision (d) of section 32526 and section 52064.4 of the Education Code.

Literacy Screening Professional Development Allocation Methodology—It is requested that statutory changes transmitted with the Governor's Budget be amended to change the enrollment data used for funding allocation from current year to prior year California Longitudinal Pupil Achievement Data System school enrollment data.

Proposition 98 Accruals and Accounting for Proposition 98 following Tax Filing Extensions—It is requested that statutory changes transmitted with the Governor's Budget be amended to reflect revised estimates of the 2022-23 Proposition 98 minimum guarantee that (1) increase the amounts no longer recognized as an allocation provided in satisfaction of the state's minimum funding obligation to school districts and community college districts in 2022-23 and (2) increase the non-Proposition 98 General Fund outyear amounts recognized for budgetary and financial reporting purposes.

SB 291 Pupil Recess Cleanup—It is requested that statutory changes transmitted with the Governor's Budget be amended to clarify that provisions of Chapter 863, Statutes of 2023 (SB 291) shall not apply to 6th grade offered as part of a middle or span school serving all or some grades 6-12, if the 6th grade pupil receives physical education.

Youth Behavioral Health Professional Development—It is requested that statutory changes transmitted with the Governor's Budget be amended to: (1) clarify the definition of per pupil for the purposes of apportionment, (2) extend the deadline from January 2025 to July 2025 for the Department of Education to develop a model referral protocol for addressing student behavioral health, and (3) extend the deadline from the beginning of the 2025–26 school year to January 31, 2026, for local educational agencies to adopt a policy on referral protocols for addressing pupil behavioral health concerns.

A–G Completion Improvement Grant Program - Reporting Final Expenditures—It is requested that statutory changes be added to require local educational agencies to report final expenditures from the A–G Completion Improvement Grant Program by August 31, 2026, and provide a mechanism for the Department to collect any unexpended grant funds.

Alternative Pathways to a Diploma Allowances—It is requested that statutory changes be added to allow local educational agencies to offer the diploma pursuant to Education Code Section 51225.31 to students who were in grade 10 or higher in the 2022-23 school year.

Arts, Music, and Instructional Material Block Grant - Reporting Final Expenditures—It is requested that statutory changes be added to require local educational agencies to report final expenditures from the Arts, Music, and Instructional Material Block Grant to the California Department of Education by September 30, 2026, and provide a mechanism for the Department to collect any unexpended grant funds.

California College Guidance Initiative (CCGI), A-G Data Quality and Technical Clean Up—It is requested that statutory changes be added to (1) specify that by

June 30, 2026, the CCGI may confirm data needed to verify that course eligibility requirements are accurate and up to date to fulfill the University of California and California State University A-G admission; (2) remove reference to CALPADS for purposes of collecting student transcript data; (3) clarify definitions related to pupil data and student transcript information, operational tools and pupil accounts; and (4) include technical amendments to correct references to CALPADS and Cradle-to-Career statute.

California Longitudinal Pupil Achievement Data System (CALPADS) School Site Closure—It is requested that statutory changes be added to require local educational

agencies to inform the Department of any school site closure within 10 business days of pupils no longer being enrolled at that school site.

California Universal Preschool Planning Grant Program—It is requested that statutory changes be added to allow newly formed consortia of current grantees, or individual counties who participated as a grantee in a former consortium to apply for renewal grants.

Cradle-to Career Data System (C2C)—It is requested that statutory changes be added to (1) exempt the data system from specified provisions of the Information Practices Act since C2C does not collect data from individuals and is not the originator of the data; (2) provide consistent terminology that C2C protects “data maintained” rather than “data collected” with respect to which data must be treated as personal information; and (3) designates C2C as the state educational authority for the purpose of compliance with the Family Educational Rights and Privacy Act for compliance in fulfilling purposes of the C2C data system.

Depositing Proficiency Exam Fees—It is requested that statutory changes be added to allow the California Department of Education to deposit fees collected from the California Proficiency Program into a Special Deposit Fund Account, to be appropriated without regard to fiscal year, for the Department's support of the program.

Equity Multiplier Funding Clarifications—It is requested that statutory changes be added to clarify funding requirements and eligibility factors related to the apportionment of the Equity Multiplier program funds.

Federal IDEA Addendum—It is requested that statutory changes be added to extend the date for the State Board of Education and local educational agencies to adopt the IDEA addendum to allow for the finalization of the state's Compliance and Improvement Monitoring process that is the subject of court oversight and litigation.

Fiscal Crisis and Management Assistance Team (FCMAT) Consultation for K-12 Audit Guide—It is requested that statutory changes be added to include the Fiscal Crisis and Management Assistance Team to the list of agencies that the Controller should consult with on the K-12 Audit Guide.

Fiscal Crisis and Management Assistance Team (FCMAT) Budget Requirements—It is requested that statutory changes be added to strike the word “onsite” to remove this limitation for instances in which the Fiscal Crisis and Management Assistance Team may charge a district, charter school, county superintendent or community college for management assistance services, given that teleconferencing and videoconferencing tools are now frequently used to conduct this work post-pandemic.

Instructional Materials Adoption—It is requested that statutory changes be added to remove statutory prohibitions on successive-year instructional material adoptions for English Language Arts/English Language Development and Mathematics and other clarifying changes.

Kitchen Infrastructure and Training Funds Reporting—It is requested that statutory changes be added to 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, 2024 to June 30, 2025, as a result of delays in infrastructure upgrades and receiving equipment orders due to supply chain disruptions.

State Board of Education Entitlement—It is requested that statutory changes be added to clarify and conform the basis for the Governor’s appointment of six Deputies to the Executive Director of the State Board of Education who are exempt from state civil service. The changes would not increase the number of currently authorized positions and would specify that appointments to these exempt positions shall not result in any net increase in the expenditures of the State Board of Education.

Transitional Kindergarten—It is requested that statutory changes be added to (1) align transitional kindergarten curriculum to the California Preschool/Transitional Kindergarten Learning Foundations, and (2) replace references to the early childhood environment rating scale with references to the Classroom Assessment Scoring System.

Universal Meals, Federal Provision Participation Requirement—It is requested that statutory changes be added to remove the requirement for local educational agencies to participate in a federal universal meal provision if eligible, and would instead only require participation from local educational agencies with at least 40 percent Identified Student Percentage.

Proposed statutory amendment 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 Melissa Ng, 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: Elisa Wynne, Staff Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
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Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy
and Budget
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) \$220,000 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 2021 (Chs. 21, 69, and 240, Stats. 2021).

(2) \$22,248,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the 21st Century Community Learning Centers Program in Schedule (2) of Item 6100-149-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(3) \$204,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California American Indian Education Centers in Schedule (1) of Item 6100-151-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).

(4) \$26,800,000 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 2021 (Chs. 21, 69, and 240, Stats. 2021).

(5) \$18,823,000 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 Chapter 44 of the Statutes of 2021.

(6) \$1,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the American Indian Early Childhood Education Program in Schedule (1) of Item 6100-150-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(7) \$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 2022 (Chs. 43, 45, and 249, Stats. 2022).

(8) \$490,000 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 2022 (Chs. 43, 45, and 249, Stats. 2022).

(9) \$19,037,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Career Technical Education Incentive Grant Program in Schedule (1) of Item 6100-168-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

(10) \$87,343,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Inclusive Early Education Expansion Program in Chapter 62 of the Statutes of 2022.

(11) \$162,657,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Inclusive Early Education Expansion Program in Schedule (3) of Item 6100-196-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

(12) \$1,000,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Reading Difficulties Risk Screener Selection Panel in Chapter 48 of the Statutes of 2023.

Provisions:

1. The sum of \$84,576,000 ~~\$22,468,000~~ is hereby appropriated to the Superintendent of Public Instruction for allocation to school districts and charter schools in the 2024–25 fiscal year, pursuant to Section 42238.02 of the Education Code, pursuant to the provisions provided in the 2024 Education Omnibus trailer bill for this purpose.

2. The sum of \$254,747,000 is hereby appropriated to the Superintendent of Public Instruction to support the electric school bus program. Upon order of the Director of Finance, the amount reflected in this provision may be transferred to the California Energy Commission and the California Air Resources Board based upon a schedule to be provided by the Department of Finance to support grants to local educational agencies through this program."

May 14, 2024

Honorable Scott 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 6120-140-0001, 6120-211-0001 and 6120-495, Local Assistance, California State Library

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Item 6120-495, Reversion, Local Library Infrastructure Grants, Statewide Imagination Library—It is requested that Schedule (1) of Item 6120-495 be decreased by \$126,905,000 to reflect an updated remaining appropriation balance that can be reverted to the General Fund, and that Schedule (2) be added to revert \$40 million for the Statewide Imagination Library in the 2022 Budget Act.

“6120-495—Reversion, California State Library. As of June 30, 2024, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations ~~was~~ were made.

0001—General Fund

(1) ~~\$4,400,000~~ ~~\$131,305,000~~, appropriated in Program 5312-Library Development Services in Item 6120-161-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).

(2) \$40,000,000 in provision (2) of Item 6120-161-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), appropriated in Program 5312-Library Development Services.”

Item 6120-140-0001, Local Assistance, Lunch at the Library Program (Issue 043)—It is requested that Item 6120-140-0001 be decreased by \$5,486,000 ongoing for the Lunch at the Library program.

Item 6120-211-0001, Local Assistance, Library Services Act Program (Issue 044)—It is requested that Item 6120-211-0001 be decreased by \$1,750,000 ongoing for the Library Services Act Program.

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 Jessica Deitchman, 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
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Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy and
Budget
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, 2024

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 Statutory Changes, Local Assistance, School Facilities Aid Program

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Adjust Support for the School Facilities Aid Program—It is requested that statutory changes transmitted with the Governor's Budget be amended to reflect a reduction in the amount of \$875 million, or \$375 million more than had been identified for purposes of Section 77 of Chapter 9, Statutes of 2024, for the School Facility Program, established pursuant to Section 129 of Chapter 52, Statutes of 2022, as amended by Section 99 of Chapter 48, Statutes of 2023, this reflects the entirety of the 2024-25 appropriation.

Adjust Support for the California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program—It is requested that statutory changes transmitted with the Governor's Budget be amended to reflect a reduction in the amount of \$550 million in fiscal year 2025-26 for the California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program, established pursuant to Section 17375 of the Education Code, this reflects the entirety of the 2024-25 appropriation.

Statutory changes 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 Jessica Deitchman, Assistant Program Budget Manager, at (916) 445-0328.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy 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
Amy Tong, 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, 2024

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 6360-001-0001 and 6360-001-0407, Addition of Item 6360-001-0890, and Statutory Changes, Support, Commission on Teacher Credentialing

Division of Professional Practices Support (Issue 38)—It is requested that Schedule (1) of Item 6360-001-0001 be increased by \$182,000 ongoing and 2 positions to support the Division of Professional Practices with workload associated with educator professional fitness.

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

7. Of the funds appropriated in Schedule (1), \$182,000 and 2.0 positions are available to support educator professional fitness activities.

May Lee State Office Complex Lease Adjustment (Issue 39)—It is requested that Schedule (1) of Item 6360-001-0001 be increased by \$255,000 one-time to support lease costs associated with relocating to the May Lee State Office Complex in May 2024.

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

8. Of the funds appropriated in Schedule (1), \$255,000 is available on a one-time basis to support leasing costs due to the Commission on Teacher Credentialing's relocation to the May Lee State Office Complex.

Legal Services Expenditure Authority (Issue 41)—It is requested that Schedule (2) of Item 6360-001-0407 be increased by \$1,211,000 ongoing to reflect an increase in expenditure authority to support increased legal services costs.

It is also requested that provisional language be added to clarify that funds appropriated in Schedule (2) may be used for costs resulting from the administration and adjudication of cases, including the administrative hearing process through the Office of Administrative Hearings.

It is further requested that provisional language be added 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 representation from the Office of the Attorney General and the administrative hearing process through the Office of Administrative Hearings.

Establish Federal Fund Item (Issue 47)—It is requested that Item 6360-001-0890 be added to allow the Commission to receive federal funds. The Commission recently applied for the Apprenticeship Building America grant, and award notifications are expected to be sent out by July 1, 2024.

It is further requested that Item 6360-001-0890 be added as follows to conform to this action:

6360-001-0890—For support of Commission on Teacher Credentialing, payable from the Federal Trust Fund0
 Schedule:
 (1) 5381 - Preparation and Licensing of Teachers 0

Chaptered Legislation

The May Revision proposes the following adjustment to enable departments to implement recently chaptered legislation:

Public Outreach Campaign: Chapter 671, Statutes of 2023 (AB 934)—It is requested that Schedule (1) of Item 6360-001-0001 be increased by \$900,000 one-time.

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

- 9. Of the funds appropriated in Schedule (1), \$900,000 is available on a one-time basis to support costs associated with entering into a contract with a public relations organization to develop a public awareness campaign that highlights the benefits of education careers in California's K-12 public schools, pursuant to Chapter 671, Statutes of 2023.

Statutory Changes

Expedited Application Process Clarification—The Administration proposes statutory changes to clarify that charter schools and nonpublic schools or agencies are considered agencies for the purpose of expedited application processes.

Statutory changes 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 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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Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
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
Kirk Feely, Fiscal Director, Senate Republican Fiscal Office
Christopher W. Woods, Senate President pro Tempore's Office
Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy
and Budget
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
Dr. Mary Vixie Sandy, Executive Director, California Commission on Teacher
Credentialing



May 14, 2024

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

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Proposition 56 Backfill for Graduate Medical Education (Issue 74)—It is requested that Item 6440-001-0001 be decreased by \$13,494,000 ongoing for the Graduate Medical Education grant program. It is further requested that Provision 10 be deleted to conform to this action.

University of California Support for the UC Labor Centers (Issue 92)—It is requested that Item 6440-001-0001 be decreased by \$13 million ongoing starting in fiscal year 2024-25. It is also requested that Provision 26 be deleted to conform to this action.

Adjustment to Reflect Revised Support to the Medi-Cal Provider Payment Reserve Fund to Expand UC Graduate Medical Education Programs (Issue 100)—It is requested that Item 6440-001-3431 be eliminated.

Reversion of the Equal Opportunity Practices and Professional Development for UC Faculty, UCLA Latino Policy and Politics Institute and the UCD Equine Performance Rehabilitation Center (Issues 95, 96, 97)—It is requested that Item 6440-495 be added to revert funding in Item 6440-001-0001 in the 2021, 2022, and 2023 Budget Acts provided to support various program.

It is further requested that Item 6440-495 be added as follows to conform to this action:

6440-495-Reversion, University of California. As of June 30, 2024, the balances specified below, of the appropriations provided in the following citations shall revert to the balances of the funds from which the appropriations were made.

0001– General Fund

- (1) \$5,000,000 appropriated in Item 6440-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. of 2021) as reappropriated by Item 6440-491, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (2) \$13,700,000 appropriated in Provision 39 of Item 6440-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
- (3) \$5,000,000 appropriated in Provision 38 of Item 6440-001-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023)

Included below are the remaining adjustments included in the May Revision:

Technical Correction, UC Student Enrollment (Issue 80)—It is requested that Provision 21 in Item 6440-001-0001 be amended to reflect a technical correction.

“31. (a) It is the intent of the Legislature that the University of California shall increase resident undergraduate enrollment by ~~2,972~~ 2,927 full-time equivalent (FTE) students in 2024–25 over the estimated 2023–24 baseline level of 203,661 FTE students to a total enrollment of 206,663.”

Technical Adjustment to Increase Expenditure Authority for Breast Cancer Research (Issue 86)—It is requested that Item 6440-001-0007 be increased by \$289,000 ongoing to reflect available resources in the Breast Cancer Research Account.

Technical Adjustment to Increase Expenditure Authority for Cigarette and Tobacco Products Research (Issue 87)—It is requested that Item 6440-001-0234 be increased by \$512,000 ongoing to reflect available resources in the Research Account, Cigarette and Tobacco Products Surtax Account.

University of California, Oiled Wildlife Care Network (Issues 70)—It is requested that Item 6440-001-0320 be increased by \$750,000 ongoing Oil Spill Prevention and Administration Fund to support the Oiled Wildlife Care Network.

JUUL Settlement Funds (Issue 73)—It is requested that Item 6440-001-8141 be added to provide an ongoing increase of \$1,972,000 because of the State of California JUUL settlement.

It is further requested that provisional language for Item 6440-001-8141 be added as follows to conform to this action:

6440-001-8141—For support of University of California, payable from the Electronic Cigarette Settlements Fund.....1,972,000

Schedule:

(1) 5440-Support 1,972,000

Provisions:

1. Of the funds appropriated in this item, \$1,334,000 shall support the Building Comprehensive Tobacco Control Services in California Community Colleges project.
2. Of the funds appropriated in this item, \$638,000 shall support the Mechanism of a Human 3'UTR Alpha6 Nicotinic Receptor Polymorphism in Adolescent Nicotine Use project.

Technical Adjustment Division of Agriculture and Natural Resources for School Meals for All Research (Issue 69)—It is requested that provisional language in Item 6440-005-0001 be amended to reflect a technical correction in the amount of funding in the item that is being directed to support the University of California Nutrition Policy Institute.

It is further requested that provisional language for Item 6440-005-0001 be amended as follows to conform to this action:

"2. Of the funds appropriated in this item, ~~\$1,300,000~~ \$2,400,000 shall be available on a one-time basis to support the University of California Nutrition Policy Institute in the University of California, Division of Agriculture and Natural Resources for School Meals for All Research. Furthermore, it is the intent of the Legislature that \$1,300,000 in 2025–26 for this purpose."

Extend Encumbrance for the California Institute on Law, Neuroscience, and Education (Issues 67, 68)—It is requested that Item 6440-491 be added to reappropriate available California Institute on Law, Neuroscience, and Education resources.

6440-491 – 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, 2025:

0001 – General Fund

- (1) Provision 30 of Item 6440-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).

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 Jessica Deitchman, Principal Program Budget Analyst, at (916) 445-0328.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

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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, 2024

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

Augmentation to Support Expanded University Fee Waiver Costs, Ch. 695, St. 2023

(Issue 17)— It is requested that Schedule (1) of Item 6610-001-0001 be increased by \$5,500,000 on an ongoing basis to support the estimated costs of the recently enacted expanded fee waiver for Medal of Honor recipients, children of Medal of Honor recipients, or dependents of service-injured veterans attending the CSU (Chapter 695, Statutes of 2023).

Language Only: Undergraduate Resident Enrollment Target, Ch. 38, St. 2023 (Issue 14)—

It is requested that subdivision (a) of Provision 5 of Item 6610-001-0001 be amended as follows:

“(a) It is the intent of the Legislature that the California State University increase resident undergraduate enrollment by ~~4,057,866~~ full-time equivalent students in 2024-25 over the estimated 2023–24 level of 330,080 full-time equivalent students to a total resident undergraduate enrollment of ~~340,674~~339,946 full-time equivalent students in 2024–25 at the California State University.”

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 Jessica Deitchman, 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: Elisa Wynne, Staff Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
Honorable Steven Padilla, Chair, Senate Budget and Fiscal Review Subcommittee
No. 4
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Kirk Feely, Fiscal Director, Senate Republican Fiscal Office
Jason Sisney, Assembly Speaker's Office
Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy
and Budget
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, 2024

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, Local Assistance, and Statutory Changes, Board of Governors of the California Community College

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall and reflect a balanced budget plan. These adjustments include the following:

Item 6870-002-0001, Local Assistance, CCC Affordable Student Housing (Issue 69)—It is requested that Schedule (1) of Item 6870-002-0001 be decreased by \$25,000 General Fund to reflect revised estimates of costs in the budget year.

Included below are the remaining adjustments included in the May Revision:

Item 6870-101-0001, Local Assistance, Hold Harmless for Student-Centered Funding Formula (Issue 83)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$188,842,000 Proposition 98 General Fund to reflect a revised estimate of hold harmless funding for districts under the Student-Centered Funding Formula.

Item 6870-101-0001, Local Assistance, Enrollment Growth Adjustment (Issue 95)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$1,494,000 Proposition 98 General Fund to reflect a revised estimate of the cost to maintain a 0.50-percent enrollment growth target in fiscal year 2024-25.

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), ~~\$29,588,000~~ \$28,094,000 shall be used to increase statewide growth of full-time equivalent students (FTES) by 0.50 percent.”

Item 6870-101-0001, Local Assistance, Apportionments Cost-of-Living Adjustment (COLA) (Issue 94)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$31,067,000 Proposition 98 General Fund to reflect a 1.07-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), ~~\$69,149,000~~ \$100,216,000 shall be used to reflect a cost-of-living adjustment of ~~0.76~~ 1.07 percent.”

Item 6870-101-0001, Local Assistance, Apprenticeship Program COLA (Issue 77)—It is requested that Schedules (2) and (3) of Item 6870-101-0001 be increased by \$106,000 Proposition 98 General Fund and increased by \$204,000 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 1.07-percent COLA.

Item 6870-101-0001, Local Assistance, Student Financial Aid Administration and Board Financial Assistance Program Funding (Issues 81 and 82)—It is requested that Schedule (5) of Item 6870-101-0001 be increased by \$396,000 Proposition 98 General Fund to reflect an increase of \$197,000 for the Student Financial Aid Administration Program and an increase of \$199,000 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 ~~\$12,193,000~~ \$12,390,000 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 ~~\$12,327,000~~ \$12,526,000 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 79)—It is requested that Schedule (6) of Item 6870-101-0001 be increased by \$536,000 Proposition 98 General Fund to reflect a 1.07-percent COLA for the Disabled Student Programs and Services Program.

Item 6870-101-0001, Local Assistance, Student Services for CalWORKs Recipients Program COLA (Issue 92)—It is requested that Schedule (7) of Item 6870-101-0001 be increased by \$171,000 Proposition 98 General Fund to reflect a 1.07-percent COLA for the Student Services for CalWORKs Recipients Program.

Item 6870-101-0001, Local Assistance, Extended Opportunity Programs and Services Program COLA (Issue 80)—It is requested that Schedule (18) of Item 6870-101-0001 be increased by \$671,000 Proposition 98 General Fund to reflect a 1.07-percent COLA for the Extended Opportunity Programs and Services Program.

Item 6870-101-0001, Local Assistance, Campus Childcare Tax Bailout Program COLA (Issue 78)—It is requested that Schedule (20) of Item 6870-101-0001 be increased by \$14,000 Proposition 98 General Fund to reflect a 1.07-percent COLA for the Campus Childcare Tax Bailout Program.

Item 6870-101-0001, Local Assistance, Net Offsetting Property Tax Revenue (Issues 74 and 84)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$68,694,000 Proposition 98 General Fund to reflect an increase in estimated net offsetting property tax 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, Offsetting Student Fee Revenue (Issues 73 and 85)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$5,436,000 Proposition 98 General Fund to reflect an associated increase 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 71 and 72)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$441,290,000 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, Technical Base Apportionment Adjustments (Issue 91)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$267,467,000 Proposition 98 General Fund to reflect various technical base apportionment adjustments.

Item 6870-101-0001, Local Assistance, Fund Student Centered Funding Formula via Public School System Stabilization Account (Issue 96)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$104,659,000 Proposition 98 General Fund to reflect a proposed adjustment to the withdrawal from the Public School System Stabilization Account.

Item 6870-101-3273, Local Assistance, Equal Employment Opportunity Program (Issues 97 and 98)—It is requested that this item be increased by \$1,109,000 to promote equal employment opportunities in hiring and promotion at community college districts.

It is further requested that Item 6870-101-3273 be added as follows to conform to this action.

6870-101-3273—For local assistance, Board of Governors of the California Community Colleges, payable from the Employment Opportunity Fund 1,109,000
Schedule:

(1) 5675069-Equal Employment Opportunity 1,109,000
Provisions:

1. The funds appropriated in this item are provided to promote equal employment opportunities in hiring and promotion at community college districts and shall be spent pursuant to Section 87108 of the Education Code and associated regulations.

Item 6870-201-0001, Local Assistance, Adult Education Program COLA (Issue 76)—It is requested that Schedule (1) of Item 6870-201-0001 be increased by \$2,004,000 Proposition 98 General Fund to reflect a 1.07-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, ~~\$4,911,000~~ \$6,915,000 is provided as a cost-of-living adjustment."

Item 6870-296-0001, Local Assistance, Mandate Block Grant Adjustment and COLA (Issues 75 and 89)—It is requested that Item 6870-296-0001 be decreased by a total of \$423,000 Proposition 98 General Fund to reflect a decrease of \$542,000 to align block grant funding with the revised estimate of applicable full-time equivalent students and an increase of \$119,000 for a 1.07-percent COLA for the Mandate Block Grant program.

Item 6870-488, Local Assistance, Reappropriation (Issues 93, 102, 103, 104, and 105)—It is requested that Item 6870-488 be added (see Attachment 1) to provide \$262.9 million one-time General Fund as follows: (1) \$227,900,000 one-time Proposition 98 General Fund to support the Student-Centered Funding Formula in 2023-24, (2) \$12 million one-time Proposition 98 General Fund to support the continued development of e-Transcript California, (3) \$12 million one-time Proposition 98 General Fund to support a common cloud data platform demonstration project, (4) \$6 million to support mapping articulated pathways for credit for prior learning, and (5) \$5 million to support a pathways for low-income workers demonstration project.

Current and Prior Year

Item 6870-101-0001, Local Assistance, Adjust Funding for Student Centered Funding Formula (Issue 99)—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 2022, by \$102,166,000 Proposition 98 General Fund to reflect revised estimates of available Proposition 98 resources. It is also requested that corresponding adjustments be made to a related informational non-Budget Act item.

Item 6870-101-0001, Local Assistance, 2023-24 Apportionment Adjustments to Reflect Revised Local Revenue Estimate (Issues 74 and 84)—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 2023, by \$35,449,000 Proposition 98 General Fund to reflect an associated increase in revised offsetting local revenue estimates. It is also requested that corresponding adjustments be made to a related informational non-Budget Act item.

Item 6870-101-0001, Local Assistance, 2023-24 Apportionment Adjustments to Reflect Revised Estimate of Offsetting Student Fees (Issues 73 and 85)—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 2023, by \$5,543,000 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, 2023-24 Net Offsetting EPA Revenue (Issues 70 and 72)—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 2023, by \$103,344,000 Proposition 98 General Fund to reflect an associated decrease 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, 2022-23 Technical Student-Centered Funding Formula Apportionment Adjustments (Issue 100)—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 2022, by \$11,000 Proposition 98 General Fund to reflect various technical base apportionment adjustments. It is also requested that corresponding adjustments be made to a related informational non-Budget Act item.

Item 6870-101-0001, Local Assistance, 2023-24 Fund Student Centered Funding Formula via Public School System Stabilization Account (Issue 96)—It is requested that Schedule (1) of Item 6870-101-0001, Budget Act of 2023, be decreased by \$296,641,000 Proposition 98 General Fund to reflect a proposed adjustment to the withdrawal from the Public School System Stabilization Account.

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 Jessica Deitchman, Assistant 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
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Attention: Elisa Wynne, Staff Director
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Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
Honorable John Laird, Chair, Senate Budget and Fiscal Review Subcommittee
No. 1
Honorable David Alvarez, Chair, Assembly Budget Subcommittee No. 3
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Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Sonya Christina, Chancellor, California Community Colleges Chancellor's Office
Daisy Gonzales, Deputy Chancellor, California Community Colleges Chancellor's
Office
David O'Brien, Vice Chancellor, California Community Colleges Chancellor's
Office
Wrenna Finche, Vice Chancellor, California Community Colleges Chancellor's
Office

6870-488—Reappropriation, 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 5:

0001—General Fund

(1) Schedule (1) of Item 6870-101-0001, Budget Act of 2022 (Chapters 43, 45, and 249, Statutes of 2022), as amended by the 2024 Higher Education Omnibus Trailer Bill.

(2) Schedule (12) of Item 6870-101-0001, Budget Act of 2022 (Chapters 43, 45, and 249, Statutes of 2022), as amended by the 2024 Higher Education Omnibus Trailer Bill.

(3) Schedule (24) of Item 6870-101-0001, Budget Act of 2022 (Chapters 43, 45, and 249, Statutes of 2022), as amended by the 2024 Higher Education Omnibus Trailer Bill.

(4) Schedule (1) of Item 6870-108-0001, Budget Act of 2022 (Chapters 43, 45, and 249, Statutes of 2022).

(5) Schedule (16) of Item 6870-101-0001, Budget Act of 2020 (Sec. 77 of Chapter 144, Statutes of 2021).

Provisions:

1. The sum of \$227,900,000 identified in schedules (2) is hereby 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, 189, and 862, Stats. 2023) as amended by the 2024 Higher Education Omnibus Trailer Bill.
2. The sum of \$8,200,000 identified in schedule (1) and the sum of \$3,800,000 identified in schedule (2) and is reappropriated for transfer by the Controller to Section B of the State School Fund to support the continued development of e-Transcript California.
3. The sum of \$10,000,000 identified in schedule (1) is reappropriated for transfer by the Controller to Section B of the State School Fund to support a common cloud data platform demonstration project.
4. The sum of \$6,000,000 identified in schedule (1) is reappropriated for transfer by the Controller to Section B of the State School Fund to support mapping articulated pathways for credit for prior learning.
5. The sum of \$5,000,000 identified in schedule (1) is reappropriated for transfer by the Controller to Section B of the State School Fund to support a pathways for low-income workers demonstration project.



May 14, 2024

Honorable Scott 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 Various Budget Bill Items and Reimbursements, and Addition of Item 6980-495, State Operations and Local Assistance, and Statutory Changes, California Student Aid Commission

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Item 6980-101-0001, Local Assistance, Adjustment to Reflect Revised Estimates in the and Reduce Support for the Middle Class Scholarship Program (Issues 033 and 45)—It is requested that Item 6980-101-0001 be: (1) decreased by \$22,674,000 ongoing to reflect revised Middle Class Scholarship program estimates in fiscal year 2024-25 and (2) decreased by \$510 million ongoing to reduce support for the Middle Class Scholarship Program to \$100 million. Compared to the Governor's Budget, there are also reduced costs for the program of \$60.9 million one-time in 2023-24.

Item 6980-495, Local Assistance, Reversion of Remaining Golden State Teacher Grant Program and Learning Aligned Employment Program Funding (Issues 46 and 47)—It is requested that Item 6980-495 be added to revert \$545,219,000, which is consisted of \$485 million from the Learning-Aligned Employment Program and \$60,219,000 from the Golden State Teacher Grant Program.

6980-495-Reversion, California Student Aid Commission. As of June 30, 2024, the balance specified below of the appropriations provided in the following citations shall revert to the fund balance of the fund from which the appropriation was made:

0001– General Fund

- (1) \$60,219,000 in Provision 2 of Item 6980-101-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).
- (2) \$200,000,000 in Provision 5.1 in Item 6980-101-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).

(3) \$285,000,000 in Provision 4.6 in Item 6980-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

Included below are the remaining adjustments included in the May Revision:

Item 6980-001-0001, State Operations, Reimbursement Authority Increase for GEAR UP (Issue 030)—It is requested that Item 6980-001-0001 be increased by \$30,000 one-time reimbursements to support the federal GEAR UP program. This federal program is designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education.

Item 6980-101-0001, Local Assistance, Cal Grant Program (Issue 032)—It is requested that Item 6980-101-0001 be decreased by \$60,680,000 ongoing to reflect revised Cal Grant program estimates in 2024-25. Compared to the Governor's Budget, there are also reduced costs for the program of \$60,511,000 one-time in 2023-24.

Item 6980-101-0001 and Reimbursements, Federal Reimbursements for Local Assistance, Adjustment to Reflect Revised Estimates in the Golden State Teacher Grant Program (Issue 034)—It is requested that Item 6980-101-0001 be reduced by \$6 million one-time federal reimbursements to reflect a technical correction in support for the Golden State Teacher Grant Program in 2024-25. Compared to the Governor's Budget, there are also reduced reimbursements of \$6 million one-time reimbursements to reflect a technical correction in support for the program in 2023-24.

It is further requested that Provision 1.2 of Item 6980-101-0001 be deleted to conform to this action.

Item 6980-101-0001 and Reimbursements, Federal Reimbursements for Local Assistance, Adjustment to Reflect Revised Estimates in the CA Military Department GI Bill (Issue 035)—It is requested that Item 6980-101-0001 be decreased by \$677,000 by one-time federal reimbursement funds to reflect revised estimates for the CA Military Department GI Bill in 2024-25. Compared to the Governor's Budget, there are also decreased costs for the program of \$452,000 one-time federal reimbursement funds in 2023-24.

Item 6980-101-3263, Local Assistance, Cal-HBCU Transfer Grant Program (Issue 036)—It is requested that Item 6980-101-3263 be decreased by \$263,000 ongoing reflect a prior year adjustment to the Cal-HBCU Transfer Grant Program in 2024-25. Compared to the Governor's Budget, there are also decreased costs for the program of \$385,000 one-time in 2023-24.

Item 6980-101-8099, Local Assistance, Public Interest Attorney Loan Repayment Program Administration (Issue 038)—It is requested that Item 6980-101-8099 be decreased by \$101,000 ongoing to reflect a revised loan repayment amount under the Public Interest Attorney Loan Repayment Program in 2024-25.

Item 6980-101-0001 and Reimbursements, Federal Reimbursements for Local Assistance, Reimbursement for Golden State Teacher Grant Program for Special Education

(Issue 51)—It is requested that Item 6980-101-0001 be increased by \$500,000 in reimbursements to enable the Commission to receive one-time Individuals With Disabilities Act funds from the California Department of Education to support the Golden State Teacher Grant Program. These resources would supplement the current General Fund amount appropriated to support this program.

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

1.3. Of the amount appropriated in Schedule (2), \$500,000 shall be available to support grants through the Golden State Teacher Program. These funds shall be available for encumbrance and expenditure through June 30, 2026.

Item 6980-101-0001 and Reimbursements, Federal Reimbursements for Local Assistance, Reimbursement for One-Time Federal Title II, Part A Funds for Golden State Teacher Grant Program

(Issue 52)—It is requested that Item 6980-101-0001 be increased by \$1 million in reimbursements to enable the Commission to receive one-time Federal Title II, Part A funds from the California Department of Education to support the Golden State Teacher Grant Program. These resources would supplement the current General Fund amount appropriated to support this program.

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

1.4. Of the amount appropriated in Schedule (2), \$1 million shall be available to support grants through the Golden State Teacher Program. These funds shall be available for encumbrance and expenditure through June 30, 2026.

Current Year

Item 6980-101-0001, Local Assistance, Adjustment to Reflect Revised Estimates in Law Enforcement Personnel Dependents Scholarship Awards (Issue 041)—Compared to the Governor's Budget, there are reduced General Fund costs for the Law Enforcement Personnel Dependents Scholarship Program of \$31,000 one-time in 2023-24.

Item 6980-601-0995, Federal Reimbursements for Local Assistance, Adjustment to Reflect Revised Estimates in the Chafee Foster Youth Program

Awards (Issue 039)—Compared to the Governor's Budget, there are reduced reimbursement costs for Chafee Foster Youth Program Awards of \$2,514,000 one-time reimbursements in 2023-24.

Statutory Changes

Statutory Changes to the Golden State Teacher Grant Program—It is requested that Statutory Changes be added to the Golden State Teacher Grant Program to maximize the program's longevity within existing resources.

Application Deadline Extension for the Middle Class Scholarship Program—It is requested that Statutory Changes be added to extend the Middle Class Scholarship deadline for returning college students from May 2, 2024 to July 1, 2024 to renew their awards for the 2024-25 award year only. This change is being requested to allow student additional time to apply due to delays with the Free Application for Federal Student Aid.

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 Jessica Deitchman, Assistant Program Budget Manager, at (916) 445-0328.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

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Chief Deputy Director

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