

May 9, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Trailer Bill Language, Scholarshare Investment Board

Memorial Scholarship Revenue Shift—It is requested that trailer bill language be amended requiring 100 percent of California Memorial License Plate revenue to be deposited into the Antiterrorism Fund. Currently, 85 percent of the revenue is deposited into the Antiterrorism Fund while 15 percent is deposited into the California Memorial Scholarship Fund. The Memorial Scholarship Fund supports \$5,000 scholarships for the dependents of California residents killed in the terrorist attacks on September 11, 2001. Beginning in fiscal year 2016-17, all eligible scholarships have been fully funded. The proposed trailer bill language eliminates the need for continual revenue transfers from the Memorial Scholarship Fund to the Antiterrorism Fund (see Attachment 1).

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

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

KEELY MARTIN BOSLER
Director
By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Julio Martinez, Executive Director, Scholarshare Investment Board
Ms. Karma Manni, Budget Manager, State Treasurer's Office

SEC. 1. Section 5066 of the Vehicle Code is amended to read:

5066. (a) The department, in conjunction with the California Highway Patrol, shall design and make available for issuance pursuant to this article the California memorial license plate. Notwithstanding Section 5060, the California memorial license plate may be issued in a combination of numbers or letters, or both, as requested by the applicant for the plates. A person described in Section 5101, upon payment of the additional fees set forth in subdivision (b), may apply for and be issued a set of California memorial license plates.

(b) In addition to the regular fees for an original registration or renewal of registration, the following additional fees shall be paid for the issuance, renewal, retention, or transfer of the California memorial license plates authorized pursuant to this section:

- (1) For the original issuance of the plates, fifty dollars (\$50).
- (2) For a renewal of registration of the plates or retention of the plates, if renewal is not required, forty dollars (\$40).
- (3) For transfer of the plates to another vehicle, fifteen dollars (\$15).
- (4) For each substitute replacement plate, thirty-five dollars (\$35).
- (5) In addition, for the issuance of an environmental license plate, as defined in Section 5103, the additional fees required pursuant to Sections 5106 and 5108 shall be deposited proportionately in the funds described in subdivision (c).

(c) The department shall deposit the additional revenue derived from the issuance, renewal, transfer, and substitution of California memorial license plates ~~as follows:~~

~~(1) Eighty-five percent in the Antiterrorism Fund, which is hereby created in the General Fund.~~

(A) Upon appropriation by the Legislature, one-half of the money in the fund shall be allocated by the Controller to the Office of Emergency Services to be used solely for antiterrorism activities. The office shall not use more than 5 percent of the money appropriated for local antiterrorism efforts for administrative purposes.

(B) Upon appropriation by the Legislature in the annual Budget Act or in another statute, one-half of the money in the fund shall be used solely for antiterrorism activities.

~~(2) Fifteen percent in the California Memorial Scholarship Fund, which is hereby established in the General Fund. Money deposited in this fund shall be administered by the Scholarshare Investment Board, and shall be available, upon appropriation in the annual Budget Act or in another statute, for distribution or encumbrance by the board pursuant to Article 21.5 (commencing with Section 70010) of Chapter 2 of Part 42 of the Education Code.~~

(d) The department shall deduct its costs to administer, but not to develop, the California memorial license plate program. The department may utilize an amount of money, not to exceed fifty thousand dollars (\$50,000) annually, derived from the issuance, renewal, transfer, and

substitution of California memorial license plates for the continued promotion of the California memorial license plate program of this section.

(e) For the purposes of this section, "antiterrorism activities" means activities related to the prevention, detection, and emergency response to terrorism that are undertaken by state and local law enforcement, fire protection, and public health agencies. The funds provided for these activities, to the extent that funds are available, shall be used exclusively for purposes directly related to fighting terrorism. Eligible activities include, but are not limited to, hiring support staff to perform administrative tasks, hiring and training additional law enforcement, fire protection, and public health personnel, response training for existing and additional law enforcement, fire protection, and public health personnel, and hazardous materials and other equipment expenditures.

(f) Beginning January 1, 2007, and each January 1 thereafter, the department shall determine the number of currently outstanding and valid California memorial license plates. If that number is less than 7,500 in any year, then the department shall no longer issue or replace those plates.



DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

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May 9, 2019

Honorable Holly Mitchell, Chair
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Attention: Mr. Joe Stephenshaw, Staff Director (2)

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Attention: Mr. Christian Griffith, Chief Consultant (2)

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

Federal Funds Adjustment

Item 6100-001-0890, Support, 21st Century California School Leadership Academy (Issue 193)—It is requested that Schedule (1) of this item be increased by \$150,000 federal Title II funds and 1 position for the State Department of Education (SDE) to administer the 21st Century California School Leadership Academy. This program will provide high-quality professional development for administrators and other school leaders pursuant to the federal Every Student Succeeds Act and consistent with the statewide system of support.

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

20. Of the funds appropriated in this item, \$150,000 in federal Title II funds and 1.0 position is available for the department to administer the 21st Century California School Leadership Academy, in consultation with the State Board of Education and in collaboration with the California Collaborative on Education Excellence.

Items 6100-001-0890 and 6100-104-0890, Support and Local Assistance, Project Advancing Wellness and Resilience in Education (AWARE) Grant (Issue 678 and 695)—It is requested that Schedule (1) of Item 6100-001-0890 be increased by \$612,000 Federal Trust Fund to reflect a new federal grant for training, technical assistance, and oversight of mental health programs at selected local educational agencies. Project AWARE is a five-year grant program that provides funding for the SDE and local educational agencies 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 also requested that this item be increased by \$540,000 Federal Trust Fund to reflect the availability of federal Project AWARE carryover funds to provide state-level support on school safety and violence prevention.

It is further requested that provisional language be added to Item 6100-001-0890 as follows to conform to this action.

21. Of the funds appropriated in this item, \$612,000 is available to support training, technical assistance, and oversight of selected local educational agencies receiving the Project Advancing Wellness and Resilience in Education Grants.

22. Of the amount appropriated in this item, \$540,000 in carryover is available in the 2019-20 fiscal year and \$460,000 in 2020-21 to provide state-level support on school safety and violence prevention.

It is also requested that Item 6100-104-0890 be increased by \$1,188,000 Federal Trust Fund to reflect the availability of a new federal Project AWARE grant for allocation to selected local educational agency for programs and activities that increase access to mental health services for students and families.

Items 6100-001-0890 and 6100-136-0890, Support and Local Assistance, McKinney-Vento Homeless Assistance Carryover (Issues 064, 121, 122, and 132)—It is requested that Schedule (1) of Item 6100-001-0890 be decreased by \$177,000 Federal Trust Fund and that Schedule (1) of Item 6100-136-0890 be increased by \$177,000 Federal Trust Fund to reflect the redirection of one-time federal McKinney-Vento Homeless Assistance funds from state operations to local assistance. The redirection of carryover funds will allow the SDE to allocate the funding to county offices education that provide services to California's homeless children, youths, and families.

It is further requested that Schedule (1) of Item 6100-136-0890 be increased by \$712,000 Federal Trust Fund to reflect an \$88,000 increase in one-time carryover funds and a \$624,000 increase to align to the federal grant award.

It is further requested that provisional language be added to Item 6100-136-0890 as follows to conform to this action:

1. Of the funds appropriated in this item, \$265,000 is one-time federal carryover funds to support the existing program.

Items 6100-001-0890 and 6100-161-0890, Support and Local Assistance, Office of Administrative Hearings (Issues 688 and 696)—It is requested that Schedule (1) of Item 6100-001-0890 be increased by \$3,184,000 federal Individuals with Disabilities Education Act (IDEA) funds and Item 6100-161-0890 be decreased by \$3,184,000 federal IDEA funds to reflect a one-time redirection of federal funds to support increased costs associated with special education dispute resolution services. The SDE contracts with the Office of Administrative Hearings to provide special education services, which include hearings, mediations, and related due process activities required by both state and federal law. The number of claims filed and the cost per case have increased over the past few years.

It is further requested that Provision 5 of Item 6100-001-0890 be amended as follows to conform to this action:

“5. Of the funds appropriated in this item, ~~\$13,544,000~~ \$16,698,000, of which \$3,184,000 is available on a one-time basis, is for dispute resolution services, including mediation and fair hearing services, provided through contracts 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 include the same information as required by Provision 9 of Item 6110-001-0890 of the Budget Act of 2006 (Chs. 47 and 48, Stats. 2006) and Section 56504.5 of the Education Code and reflect year-to-date data and final yearend data.”

Items 6100-001-0890 and 6100-194-0890, Support and Local Assistance, (Issue 057)—It is requested that Schedule (2) of Item 6100-001-0890 be increased by \$300,000 Federal Trust Fund and Schedule (6) of Item 6100-194-0890 be increased by \$6.3 million Federal Trust Fund to reflect one-time carryover in the federal Preschool Development Grant Birth through Five.

It is further requested that provisional language be added to Item 6100-001-0890 as follows to conform to these actions:

23. Of the funds appropriated in in this item, \$300,000 carryover is provided on a one-time basis to support the workload associated with the federal Professional Development Grant Birth through Five.

It is further requested that provisional language be added to Item 6100-194-0890 as follows to conform to these actions:

8. Of the funds appropriated in in this item, \$6,300,000 carryover is available on a one-time basis to support the activities for the Preschool Development Grant Birth through Five.

Items 6100-001-0890 and 6100-195-0890, Support and Local Assistance, Equitable Services for Private School Educators (Issues 177, 178, and 181)—It is requested that Schedule (1) of Item 6100-001-0890 be increased by \$479,000 Federal Trust Fund and Schedule (3) of Item 6100-195-0890 be decreased by \$479,000 Federal Trust Fund to shift funding for federally-required professional development of private school teachers and administrators from local assistance to state operations. This shift will permit the SDE greater flexibility in providing the required professional development.

It is also requested that Schedule (1) of Item 6100-001-0890 be increased by \$2,584,000 Federal Trust Fund for federally-required professional development of private school teachers and administrators. Specifically, this amount reflects the availability of \$701,000 federal Title II funds, \$430,000 federal Title IV funds, and \$1,453,000 one-time federal carryover funds for educators in private schools.

It is further requested that provisional language be added to Item 6100-001-0890 as follows to conform to these actions:

24. Of the funds appropriated in in this item, \$3,063,000 shall be reserved for the professional development of private school teachers and administrators as required by Title II of the federal Every Student Succeeds Act (20 U.S.C. Sec 6601 et seq.). This amount reflects the availability of \$1,180,000 ongoing federal Title II funds, \$430,000 ongoing federal Title IV funds, and \$1,453,000 one-time federal Title II funds.

Item 6100-101-0890, Local Assistance, Project School Emergency Response to Violence (Issue 133)—It is requested that Item 6100-101-0890 be added in the amount of \$2 million Federal Trust Fund for the Project School Emergency Response to Violence program to reflect the availability of a one-time grant award for allocation to applicant local educational agencies impacted by the 2018 wildfires in northern California. The program supports local educational

agency efforts to reopen schools quickly by reimbursing local educational agencies for education-related services such as staff overtime and mental health counselling services.

It is further requested that Item 6100-101-0890 be added as follows to conform to this action:

6100-101-0890—For local assistance, State Department of Education, Project School Emergency Response to Violence funds, payable from the Federal Trust Fund.....2,000,000
Schedule:

(1) 5205154-Project School Emergency Response to Violence.....2,000,000

Provisions:

1. The funds appropriated in this item are one-time funds to reimburse applicant local educational agencies for eligible expenses incurred as a result of the 2018 wildfires in northern California.

Item 6100-102-0890, Local Assistance, Immediate Aid to Restart School Operations

(Issue 129)—It is requested that Item 6100-102-0890 be added in the amount of \$13,792,000 Federal Trust Fund to reflect the availability of one-time carryover funds for the federal Immediate Aid to Restart School Operations program. This program assists local educational agencies and non-public schools with expenses related to reopening schools impacted by the October and December 2017 wildfires in northern and southern California.

It is further requested that Item 6100-102-0890 be added as follows to conform to this action:

6100-102-0890—For local assistance, State Department of Education, Immediate Aid to Restart School Operations program funds, payable from the Federal Trust Fund.....13,792,000
Schedule:

(1) 5205155-Immediate Aid to Restart School Operations.....13,792,000

Provisions:

1. The funds appropriated in this item are one-time funds to assist local educational agencies with eligible expenses related to reopening schools after the October and December 2017 wildfires in northern and southern California.

Items 6100-113-0890 and 6100-113-0001, Local Assistance, Student Assessment Program

(Issues 309, 310, 311, and 312)—It is requested that Schedule (2) of Item 6100-113-0890 be increased by \$47,000 federal Title VI funds to reflect a \$29,000 decrease in available federal funds and an increase of \$76,000 in one-time federal carryover funds.

It is also requested that Schedule (2) of Item 6100-113-0001 be decreased by \$47,000 Proposition 98 General Fund to reflect the offsetting federal funds increase.

It is further requested that provisional language be added to Item 6100-113-0890 as follows to conform to this action:

7. Of the funds appropriated in Schedule (2), \$76,000 is provided in one-time federal carryover.

It is further requested that provisional language be added to Item 6100-113-0890 as follows to reflect federal carryover funds that were included in Schedule (1) of this item at the Governor's Budget:

8. Of the funds appropriated in Schedule (1), \$248,000 is provided in one-time federal carryover funds to support the existing programs.

Item 6100-119-0890, Local Assistance, Program for Neglected and Delinquent Children (Issue 131)—It is requested that Schedule (1) of this item be decreased by \$742,000 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 State-Level Activities, and English Language Acquisition Program (Issues 043, 123, 124, 125, 126, 127, and 128)—It is requested that Schedule (1) of this item be increased by \$21,278,000 federal Title I, Part C funds to reflect \$17 million in one-time carryover funds and a \$4,278,000 increase to align to the federal grant award. This program provides educational support services to meet the needs of highly-mobile children.

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

3. Of the funds appropriated in Schedule (1), \$17,000,000 is provided in one-time federal Title I, Part C carryover funds to support the existing program.

It is also requested that Schedule (2) of this item be increased by \$3,788,000 federal Title I, Part C funds to reflect \$3 million in one-time carryover funds and a \$788,000 increase 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), \$3,000,000 is provided in one-time federal Title I, Part C carryover funds to support the existing program.

It is also requested that Schedule (3) of this item be increased by \$276,000 federal Title III funds to reflect \$1 million in one-time carryover funds and a \$724,000 decrease 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), \$1,000,000 is provided in one-time federal Title III carryover funds to support the existing program.

It is also requested that Provision 1 of this item be amended to increase the funding limit for the Mini-Corps program from \$7.1 million federal Title I funds to \$8 million federal Title I funds. It is further requested that Provision 1 be amended to require the SDE to report to the Department of Finance the number migrant students served by the Mini-Corps program, the number of tutors participating in the Mini-Corps program, the number of tutors who participated in the Mini-Corps program and subsequently enrolled in an educator preparation program, and the number of tutors who participated in the Mini-Corps program and subsequently earned a teaching credential. The Mini-Corps program recruits college students to become tutors that serve migrant students attending K-12 schools. Secondly, the program serves to recruit and develop college students to become certificated bilingual teachers.

Specific amendments are proposed in the following language:

“1. Of the funds appropriated in Schedule (2), the State Department of Education (SDE) shall use no less than \$6,500,000 and up to ~~\$7,100,000~~ \$8,000,000 for the Mini-Corps program. The SDE shall report to the Department Finance by October 31 2020 the number of migrant students served by the Mini-Corps program during the previous fiscal year and the number of tutors who participated in the Mini-Corps program during the previous fiscal year. The SDE shall also report to the Department of Finance by October 31, 2021, the number of tutors from 2019-20 cohort who subsequently enrolled in an educator preparation program. The SDE shall also report to the Department of Finance by October 31, 2022 the number of tutors from 2019-20 cohort who subsequently earned a teaching credential.”

Item 6100-134-0890, Local Assistance, Elementary and Secondary Education Act Program, Title I State Grant and Title IV State Grant (Issue 535, 537, and 538)—It is requested that Schedule (2) of this item be decreased by \$43,469,000 federal Title I funds to reflect a decrease in the federal 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 further requested that Provision 6 of this item be amended as follows to decrease the amount of federal Title I funds allocated for school support in proportion to the state’s decreased Title I Basic Grant award:

“6. Of the funds appropriated in Schedule (2), no less than ~~\$130,125,000~~ \$127,082,000 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 Department 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 accountability plan. Such funds shall not be expended to hire additional permanent staff.”

It is also requested that provisional language be added to Item 6100-134-0890 as follows:

10. For purposes of performing the calculation to ensure that no less than 95 percent of the state’s reserve is being allocated as grants to local education agencies, pursuant to Section 1003 of the federal Every Student Succeeds Act (P.L. 114-95), the amount appropriated in Schedule (1) and the amount specified in provision 6 shall be added together.

It is also requested that Schedule (3) of this item be decreased by \$8,055,000 federal Title IV funds to reflect a \$2,320,000 decrease in the federal grant award and a \$5,735,000 shift of funding to Item 6100-195-0890 pursuant to the state plan for the federal Every Student Succeeds Act to support professional development for school administrators and other school leaders.

Item 6100-137-0890, Local Assistance, Rural and Low-Income Schools Program (Issue 120)—It is requested that Schedule (1) of this item be increased \$314,000 Federal Trust

Fund to align to the federal grant award. This program provides financial assistance to rural school districts for initiatives aimed and improving student achievement.

Item 6100-156-0890, Local Assistance, Adult Education Program (Issue 720)—It is requested that Schedule (1) of this item be increased by \$3,415,000 federal Workforce Innovation and Opportunity Act Title II funds to reflect an increase in the federal grant award. The federal Adult Education Program supports adult basic education, English as a second language, and adult secondary education programs.

Item 6100-161-0890, Local Assistance, Special Education (Issues 680, 681, 682, 683, 684, 685, 686, and 687)—It is requested that Schedule (1) of this item be increased by \$8,131,000 federal IDEA funds to reflect an increase to the federal grant award, and increased by \$1,815,000 to reflect the availability of one-time carryover funds.

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

11. Of the funds appropriated in Schedule (1), \$1,815,000 is provided in one-time carryover funds.

It is also requested that Schedule (3) of this item be increased by \$1,627,000 federal IDEA funds to reflect a \$905,000 increase to the federal grant award, a \$1,316,000 increase in one-time carryover funds and a \$594,000 decrease to reflect increased state operations cost. This program provides special education and related services for children aged three, four, and five, who are not in kindergarten.

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

12. Of the funds appropriated in Schedule (3), \$1,316,000 is provided in one-time carryover funds.

It is also requested that Schedule (4) of this item be increased by \$50,000 federal IDEA funds to reflect a \$100,000 decrease to the federal grant award and a \$150,000 increase in one-time carryover funds. This program, also known as Project Read, funds efforts to increase reading and English Learning Arts outcomes for students with disabilities at a selected group of low-performing California middle schools.

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

13. Of the funds appropriated in Schedule (4) for the federal State Improvement Grant Program, \$150,000 is provided in one-time carryover funds to support the existing program.

It is also requested that Schedule (6) of this item be increased by \$50,000 federal Public Health Services Act funds to reflect a one-time increase in the federal grant award. SDE uses these funds to provide outreach to families about newborn screening counseling, testing, follow-up, treatment, and educational services that are available to families of newborns with hearing disabilities.

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

14. Of the funds appropriated in Schedule (6) for the Newborn Hearing Screening Program, \$50,000 is provided in one-time federal Public Health Services Act (42 U.S.C. Sec. 201 et seq.) funds to support the existing program.

Item 6100-166-0890, Local Assistance, Vocational Education (Issue 313)—It is requested that Schedule (1) of this item be increased by \$16,893,000 Federal Trust Fund, to reflect an increase in the federal grant award.

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

3. The State Department of Education shall use its share of funds provided through this item to, among other things, support no fewer than 6.0 full-time regional program consultants in agricultural career technical education within the State Department of Education, pursuant to Education Code Section 52452. If the State Department of Education determines that it is unable to support at least 6.0 full-time regional agricultural supervisor positions with its share of federal Perkins V Act funding, the State Department of Education shall redirect \$142,000 and 1.0 position provided in Provision 32 of Item 6100-001-0001 for this purpose.

Item 6100-194-0890, Local Assistance, Federal Child Care and Development Fund Quality Increase (Issue 474)—It is requested that Schedule (6) of this item be increased by \$2,174,000 Federal Trust Fund to support Quality Counts California and to meet the minimum quality spending requirement mandated by the federal Child Care and Development Fund.

Item 6100-194-0890, Local Assistance, Adjust One-Time Child Care and Development Quality Carryover (Issue 493)—It is requested that Schedule (6) of this item be decreased by \$9,254,000 Federal Trust Fund to reflect a decrease in one-time federal Child Care and Development Fund quality carryover funds.

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

“7. Of the funds appropriated in Schedule (6), ~~\$9,912,000~~ \$658,000 is available on a one-time basis for quality activities from federal Child Care and Development Block Grant funds appropriated prior to the 2019-20 fiscal year.”

Items 6100-194-0890 and 6100-194-0001, Shift Federal Funds for General Child Care (Issues 494 and 495)—It is requested that Schedule (1) of Item 6100-194-0890 be increased by \$54,217,000 Federal Trust Fund and Schedule (1) of Item 6100-194-0001 be decreased by \$54,217,000 non-Proposition 98 General Fund to align to the federal grant award and to reflect the use of federal funds for general child care programs to offset non-Proposition 98 General Fund in this program.

Item 6100-194-0890, Emergency Child Care Vouchers (Issue 496)—It is requested that Schedule (2.5) of this item be added in the amount of \$12,842,000 Federal Trust Fund to provide funding for emergency child care vouchers. These vouchers will allow vulnerable families to maintain work activities by providing emergency child care services through the Alternative Payment program as they pursue job stability.

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

14. Of the funds appropriated in Schedule (2.5), \$12,842,000 is available on an ongoing basis for emergency child care vouchers pursuant to provisions included in the 2019 Education Omnibus Trailer Bill.

Item 6100-195-0890, Local Assistance, Supporting Effective Instruction (Issue 179)—It is requested that Schedule (1) of this item be decreased by \$825,000 federal Title II, Part A funds, to reflect a decrease in the federal grant. The federal Supporting Effective Instruction Local Grants Program provides funds to local educational agencies on a formula basis for professional development activities focused on preparing, training, and recruiting high quality teachers, principals, or other school leaders.

Item 6100-195-0890, Local Assistance, 21st Century California School Leadership Academy (Issues 180 and 182)—It is requested that Schedule (1) of this item be decreased by \$6,452,000 consistent with the State Plan adopted by the State Board of Education and pursuant to the Every Student Succeeds Act to set-aside 3 percent of the federal Supporting Effective Instruction local assistance funds to augment funds available for professional development for principals and other school leaders.

It is further requested that Schedule (3) of this item be increased by \$13,579,000 Federal Trust Fund, which includes the 3-percent allowable set-aside of \$6,452,000 from the federal Title II local assistance funds, to establish the 21st Century California School Leadership Academy to provide high-quality professional development for administrators and other school leaders pursuant to the federal Every Student Succeeds Act and consistent with the statewide system of support. Specifically, this amount reflects \$8,274,000 ongoing federal Title II funds, and \$5,305,000 ongoing federal Title IV funds.

It is also requested that \$200,000 be made available for an interagency agreement with the California Collaborative for Educational Excellence to assist the Department in administering the 21st Century California School Leadership Academy. Of these funds, \$25,000 will be for the Marin County Office of Education and \$175,000 will be for the California Collaborative for Educational Excellence to assist the Department in administering the 21st Century California School Leadership Academy.

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

“2. Of the funds appropriated in Schedule (3), ~~\$479,000 shall be reserved for the professional development of private school teachers and administrators as required by Title II of the federal Elementary and Secondary Education Act (20 U.S.C. Sec. 6601 et seq.)~~ \$13,779,000 ongoing federal funds shall be used to establish the 21st Century California School Leadership Academy pursuant to Section 44690 of Chapter 3.16 of Article 4 of Title 2 of the Education Code. Specifically, this amount reflects \$8,274,000 ongoing federal Title II funds, and \$5,035,000 ongoing federal Title IV funds, transferred to Title II consistent with the State Plan adopted by the State Board of Education pursuant to the Every Student Succeeds Act. This program shall be implemented pursuant to Title II of the federal Every Student Succeeds Act (20 U.S.C. Sec 6601 et seq.) and consistent with the statewide system of support pursuant to Article 4.5 (commencing with Section 52059.5) of Chapter 6.1 of Part 28 of Division 4 of Title 2 of the Education Code.”

3. Of the funds appropriated in Schedule (3), \$200,000 is available from federal Title II funds for the State Department of Education (SDE) to contract with the California Collaboration for Educational Excellence to assist the SDE in administering the 21st Century California School Leadership Academy. Of these funds, \$25,000 shall be for the Marin County Office of Education and \$175,000 shall be for the California Collaborative for Educational Excellence to assist the SDE in administering the 21st Century California School Leadership Academy. The Collaborative shall participate in selecting grantees, determining allocation of funding, and managing and directing grantees to ensure that grant activities are provided consistent with the statewide system of support pursuant to Article 4.5 (commencing with Section 52059.5) of Chapter 6.1 of Part 28 of Division 4 of Title 2 of the Education Code. Pursuant to subdivision (e) of Section 52074 of the Education Code, the SDE, with the support of General Services, shall enter into a contract with the Marin County Office of Education as the administrative agent no later than August 31, 2019 and complete the transfer of funds to the California Collaborative for Educational Excellence no later than November 1, 2019.

Item 6100-197-0890, Local Assistance, 21st Century Community Learning Federal Adjustment (Issues 481 and 482)—It is requested that Schedule (1) of this item be increased by \$17,697,000 Federal Trust Fund to reflect a \$12,697,000 increase to align to the federal grant award and a \$5 million increase in one-time carryover funds.

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

1. Of the funds appropriated in this item, \$5,000,000 is provided in one-time carryover funds to support the existing program.

General Fund and Other Adjustments

Item 6100-001-0001, Support and Reimbursement, SDE (Issues 004, 042, 524, 692, and 694)

California High School Proficiency Examination (Issue 004)—It is requested that Schedule (5) of this item be increased by \$207,000 reimbursements to reflect increased student fees that will support the administration of the California High School Proficiency Examination. Any person at least 16 years of age, or who will be enrolled in grade 10 for at least one academic year, is allowed to take the High School Proficiency Exam, which tests proficiency in basic reading, writing, and mathematics skills taught in public high schools.

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

35. Of the amount provided in this item, \$207,000 reimbursements is provided on a one-time basis to support the administration the California High School Proficiency Examination.

Oversight of State Board of Education (SBE) Authorized Charter Schools (Issue 042)—It is requested that Schedule (1) of this item be increased by \$284,000 non-Proposition 98 General Fund and 2 positions to monitor SBE authorized charter schools in 2019-20 and 2020-21.

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

36. Of the funds appropriated in Schedule (1), \$284,000 and 2.0 positions are provided until June 30, 2021 to support the oversight and monitoring of State Board of Education authorized charter schools.

Early Learning and Care Division Workload Support (Issue 524)—It is requested that Schedule (2) of this item be increased by \$109,000 non-Proposition 98 General Fund and 1 position for increased workload associated with the expansion of new early education programs and policies within the Early Learning and Care Division and Fiscal and Administrative Services Division.

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

“33. Of the funds appropriated in Schedule (2) of this item, ~~\$1,699,000~~ \$1,778,000 is available for 12.0 positions to support expanding workload related to new early education programs and policies within the State Department of Education’s Early Learning and Care Division and 1.0 position to support the Fiscal and Administrative Services Division.”

State Special Schools-Microsoft Ed Tech Voucher Program (Issues 692 and 694)—It is requested that Schedule (5) of this item be increased by \$798,000 reimbursements on a one-time basis for the SDE to execute projects for the three state special schools and the Diagnostic Centers, which received additional funding for the Education Technology K-12 (Ed Tech) Voucher Program. The Ed Tech Voucher Program is a grant program established with funds from a settlement agreement between California consumers and the Microsoft Corporation. Through this agreement, K-12 schools were awarded grants to purchase specified information technology products and services. The Voucher program ended on November 30, 2018 and as of that date, the state special schools had spent \$3,920,611 of the \$4,717,939 program funding, leaving the remaining balance of \$797,328. Microsoft has agreed to transfer the remaining balance directly to the SDE to execute contracts on behalf of the schools to update the Microsoft Active Directory used by the schools, implement Microsoft 365, cloud based infrastructure and evaluate the IT security of all campuses.

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

37. Of the amount provided in this item, \$798,000 reimbursements is provided on a one-time basis to purchase information technology products and services for the State Special Schools.

It is also requested that Schedule (5) of this item be increased by \$244,000 reimbursements and 2 positions to reflect an increase to the certification fees charged to nonpublic schools and agencies by the Nonpublic Schools and Agencies (NPS/A) certifications program. The NPS/A certification program is fully supported by certification application fees collected from applicants. To support the increased workload in the NPS/A program, the SDE will increase fees in the 2019-20 fiscal year commensurate with the statewide average percentage inflation adjustment for the first time since 2004-05; the adjustment to the item is necessary to align the program with the fee increase.

Item 6100-004-0001, Support, Instructional Quality Commission (IQC) (Issue 307)—It is requested that this item be increased by \$213,000 non-Proposition 98 General Fund to begin the revision of the math curriculum framework.

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

6. Of the funds appropriated in this item, \$213,000 shall be available to support the revision of the curriculum framework for mathematics.

Item 6100-005-0001, Support, State Special Schools (Issue 722)—It is requested that Schedule (1) of this item be decreased by \$711,000 non-Proposition 98 General Fund and Schedule (3) of this item be increased by \$711,000 non-Proposition 98 General Fund to accurately reflect annual employee compensation and retirement cost adjustments included in the Governor's Budget. This request reflects a technical adjustment and does not change the amount budgeted for this item.

Items 6100-009-0001 and 6100-194-0001, Support and Local Assistance, Shift Master Plan for Early Learning and Care Funding to the State Board of Education (Issues 467, 468, and 469)—It is requested that Schedule (1) of 6100-009-0001 be increased by \$10 million non-Proposition 98 General Fund and Schedule (11) of Item 6100-194-0001 be decreased by \$10 million non-Proposition 98 General Fund to reflect a shift of \$10 million from the workforce development and infrastructure grants to the State Board of Education for the Master Plan for Early Learning and Care. This is a technical adjustment to conform to the Governor's Budget proposal.

It is further requested that provisional language be added to Item 6100-009-0001 as follows to conform to this action:

2. Of the amount appropriated in Schedule (1), \$10,000,000 is available on a one-time basis for administration of the Master Plan for Early Learning and Care pursuant to provisions included in the 2019 Education Omnibus Trailer Bill. Funding shall be available for encumbrance through June 30, 2021.

It is also requested that provisional language be amended in Item 6100-194-0001 as follows to conform to this action:

"14. Of the amount appropriated in Schedule (11), ~~\$250,000,000~~ \$245,000,000 is available on a one-time basis for early learning and care workforce development and ~~\$250,000,000~~ \$245,000,000 is available on a one-time basis for ~~child care and early learning and care~~ infrastructure pursuant to provisions included in the 2019 Education Omnibus Trailer Bill."

Items 6100-101-0231 and 6100-102-0231, Local Assistance, Tobacco-Use Prevention Education Program (Issues 621 and 622)—It is requested that Item 6100-101-0231 be increased by \$124,000 Health Education Account, Cigarette and Tobacco Products Surtax Fund and Item 6100-102-0231 be increased by \$399,000 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 (Proposition 99). 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 6100-113-0001, Local Assistance, English Language Proficiency Assessments for California (Issue 038)—It is requested that Provision 3 of this item be amended as follows to reference the new state test for English language proficiency in California, the English

Language Proficiency Assessments for California, which has replaced the California English Language Development Test:

“3. The funds appropriated in Schedule (2) shall be available for approved contract costs for the development of, transition to, and administration of the English Language Proficiency Assessments for California, which include initial identification and annual assessments aligned to the state English language development standards in accordance with Chapter 478 of the Statutes of 2013, and are contingent upon the submittal of the related contract by the State Department of Education and the Department of Finance. Incentive funding of \$5 per pupil is provided in Schedule (4) for district apportionments for the California English Language Development Test English Language Proficiency Assessments for California. As a condition of receiving these funds, school districts must agree to provide information determined to be necessary to comply with the data collection and reporting requirements of the federal Elementary and Secondary Education Act of 1965 (20 U.S.C. Sec. 6301 et seq.) regarding English language learners by the State Department of Education.”

Item 6100-119-0001, Local Assistance, Foster Youth Services Coordinating Program (Issue 140)—It is requested that this item be decreased by \$53,000 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, ~~\$916,000~~ \$863,000 is to reflect a cost-of-living adjustment.”

Item 6100-150-0001, Local Assistance, American Indian Early Childhood Education Program (Issue 141)—It is requested that this item be decreased by \$1,000 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, ~~\$20,000~~ \$19,000 is to reflect a cost-of-living adjustment.”

Item 6100-151-0001, Local Assistance, American Indian Education Centers (Issue 142)—It is requested that this item be decreased by \$8,000 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. The Centers also 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, ~~\$147,000~~ \$139,000 is to reflect a cost-of-living adjustment.”

Item 6100-156-0001 and Reimbursements, Local Assistance, Adult Education Program (Issue 721)—It is requested that Schedule (3) of this item be increased by \$1,242,000 reimbursements to reflect an increase in the estimated amount of Adult Education Program funding that will be received through an interagency agreement with the Chancellor’s Office of the California Community Colleges.

Item 6100-161-0001, Local Assistance, Special Education (Issues 616, 617, 618, 619, 620, 677, and 690)—It is requested that Schedule (1) of this item be decreased by \$10,867,000 Proposition 98 General Fund. This adjustment includes: (1) a decrease of \$10,006,000 to reflect increased offsetting property tax revenues; (2) an increase of \$3,254,000 to reflect increased estimates of growth in average daily attendance; and (3) a decrease of \$4,115,000 to reflect a decrease in the cost-of-living adjustment. It is also requested that the reference to the State School Fund be stricken from provisional language.

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

“1. Funds appropriated in this item are for transfer by the Controller to ~~Section A of the State School Fund~~, in lieu of the amount that otherwise would be appropriated for transfer from the General Fund in the State Treasury to ~~Section A of the State School Fund~~ for the 2019-20 fiscal year pursuant to Sections 14002 and 41301 of the Education Code, for apportionment pursuant to Part 30 (commencing with Section 56000) of Division 4 of Title 2 of the Education Code, superseding all prior law.”

“2. Of the funds appropriated in Schedule (1), up to ~~\$18,774,000~~ \$18,754,000 shall be available to provide special education and related services to pupils with low-incidence disabilities pursuant to their individualized education program. The Superintendent of Public Instruction shall allocate these funds to special education local plan areas on an equal per-pupil rate using the methodology specified in Section 56836.22 of the Education Code.”

“4. Of the funds appropriated in Schedule (1), up to ~~\$143,746,000~~ \$143,594,000 is available to fund the costs of children placed in licensed children’s institutions who attend nonpublic schools based on the funding formula authorized in Chapter 914 of the Statutes of 2004.”

“9. Of the amount provided in Schedule (1), up to ~~\$208,000~~ \$209,000 shall be available to fully fund declining enrollment of necessary small special education local plan areas pursuant to Chapter 551 of the Statutes of 2001.”

“14. Of the amount specified in Schedule (1), ~~\$396,168,000~~ \$385,761,000 shall be available only to provide educationally related mental health services, including out-of-home residential services for emotionally disturbed pupils, required by an individualized education program pursuant to the federal Individuals with Disabilities Education Act (IDEA) (20 U.S.C. Sec. 1400 et seq.) and as described in Section 56363 of the Education Code. The Superintendent of Public Instruction shall allocate these funds to special education local plan areas in the 2019-20 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 ~~-0.266~~
-0.178 percent for the annual adjustment in statewide average daily attendance.”

“18. Of the funds provided for in Schedule (1), ~~\$127,593,000~~ \$123,478,000 is to reflect a cost-of-living adjustment.

“23. Of the amount specified in Schedule (1), up to ~~\$3,030,000~~ \$3,028,000 shall be available for small SELPAs to conduct regionalized services, pursuant to Section 56836.31 of the Education Code.”

It is also requested that Schedule (2) of this item be increased by \$306,246,000 ongoing Proposition 98 General Fund and the program name be changed to reflect a shift of \$390 million from the Special Education Concentration Grant to the Special Education School Readiness program. The purpose of this funding remains the same as funding proposed in Governor’s Budget, which included \$390 million ongoing Proposition 98 General Fund and \$187 million one-time Proposition 98 General Fund for expanded special education services at local educational agencies with both high rates of students with disabilities and high unduplicated pupil rates. The adjustment reflects the conversion of \$187 million one-time funding from the Governor’s Budget proposal to ongoing resources and an increase in funding for the proposal by \$119,246,000 Proposition 98 General Fund, for total ongoing funding of \$696,246,000 for the Special Education School Readiness program.

It is also requested that Schedule (3) of this item be decreased by \$100,000 Proposition 98 General Fund. This adjustment includes: an increase of \$81,000 to reflect increased estimates of growth in average daily attendance, from -0.266 percent to -0.178 percent, and a decrease of \$181,000 to reflect a decrease in the cost-of-living adjustment, from 3.46 percent to 3.26 percent.

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

“19. Of the funds provided for in Schedule (3), ~~\$3,178,000~~ \$2,997,000 is to reflect a cost-of-living adjustment.”

Item 6100-182-0001, Local Assistance, K-12 High-Speed Network (HSN) (Issues 136 and 137)—It is requested that this item be decreased by \$8.5 million Proposition 98 General Fund and that provisional language be amended to reflect a funding shift that supports the K-12 HSN operating budget with \$8.5 million of E-rate subsidies received by K-12 HSN as a result of network connectivity infrastructure grants issued pursuant to Item 6110-182-0001, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014).

It is also requested that the total authorized expenditures for the K-12 HSN be increased by \$500,000 to sustain operations and to reflect the cost of supporting the Broadband Infrastructure Grant Program that is being proposed in the 2019 Education Omnibus Trailer Bill (see trailer bill language section). Specifically, K-12 HSN would be authorized to use \$350,000 from operating reserves to sustain operations as needed, and \$150,000 from E-rate subsidies received by K-12 HSN as a result of network connectivity infrastructure grants issued pursuant to Item 6110-182-0001, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014) to support the Broadband Infrastructure Grant Program.

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

“1. Expenditure authority of no greater than ~~\$16,200,000~~ \$16,700,000 is provided for the K–12 High-Speed Network.

(a) Of the amount authorized for expenditure in this provision \$7,700,000 shall be funded by E-rate and California Teleconnect Fund moneys. The leading education agency or the Corporation for Education Network Initiatives in California (CENIC), or both, shall submit quarterly reports to the Department of Finance and the fiscal committees in each house of the Legislature on funds received from E-rate and the California Teleconnect Fund.

(b) The expenditure limit pursuant to this provision does not apply to ongoing network connectivity infrastructure grant expenditures pursuant to Item 6110-182-0001, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014) and Item 6100-182-0001, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015) or to professional development and technical assistance funding expenditures pursuant to Section 58 of Chapter 13 of the Statutes of 2015.

(c) For the 2019–20 fiscal year, all major subcontracts of the K–12 High-Speed Network program shall be excluded from both the eligible program costs on which indirect costs are charged and from the calculation of the indirect cost rate based on that year’s data. For purposes of this provision, a major subcontract is defined as a subcontract for services in an amount in excess of \$25,000.

(d) Of the amount authorized for expenditure in this provision, \$8,650,000 of E-rate subsidies received by the K–12 High-Speed Network as a result of network connectivity infrastructure grants issued pursuant to Item 6110-182-0001, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014) shall be available for operational support. Of this amount, up to \$150,000 shall be available to support the Broadband Infrastructure Grant Program pursuant to pending legislation.

(e) Of the amount authorized for expenditure in this provision, \$350,000 shall be funded by the operational reserves maintained by the K–12 High-Speed Network.”

Items 6100-194-0001 and 6100-194-0890, Local Assistance, Federal Child Care and Development Fund One-Time Carryover (Issues 471 and 472)—It is requested that Schedule (5) of Item 6100-194-0890 be increased by \$3,919,000 federal Child Care Development fund to reflect an increase in one-time federal carryover funds. It is also requested that Schedule (7) of Item 6100-194-0001 be decreased by \$3,919,000 non-Proposition 98 General Fund to reflect the decrease in federal funds. Federal funds offset non-Proposition 98 General Fund in the CalWORKs Stage 3 child care program. The Governor’s Budget identified \$7,366,000 one-time Child Care and Development fund carryover available in 2019-20 and this adjustment will increase the total available carryover amount to \$11,285,000.

It is also requested that provisional language in Item 6100-194-0890 be amended as follows to conform to this action:

“5. Of the funds appropriated in this item, ~~\$7,366,000~~ \$11,285,000 is available on a one-time basis for CalWORKs Stage 3 child care from federal Child Care and Development Block Grant funds appropriated prior to the 2019-20 federal fiscal year.”

Item 6100-194-0001, Local Assistance, Adjust CalWORKs Child Care Caseload Funding (Issue 473)—It is requested that Schedule (6) of this item be increased by \$17,524,000 non-Proposition 98 General Fund, and Schedule (7) be increased by \$20,637,000 non-Proposition 98 General Fund as a result of higher caseload associated with recent program eligibility changes included in the 2018 Budget Act.

Item 6100-194-0001, Local Assistance, Child Care Rate Adjustment Factor (Issue 475)—It is requested that Schedule (1) of this item be increased by \$10,520,000 non-Proposition 98 General Fund to reflect higher costs related to the increases provided for the adjustment factor for infants, toddlers, and children with exception needs provided by the 2018 Budget Act.

Items 6100-194-0001 and 6100-194-0890, Local Assistance, Federal One-Time Child Care and Development Fund Adjustment (Issues 477 and 478)—It is requested that Schedule (11) of Item 6100-194-0001 be decreased by \$102,295,000 and Schedule (6) of Item 6100-194-0890 be increased by \$102,295,000 to reflect the availability of one-time federal Child Care and Development Fund. The one-time federal funds will be used to offset non-Proposition 98 General Fund costs.

Item 6100-194-0001 and 6100-196-0001, Local Assistance, Adjust Non-Local Educational Agency State Preschool Funding (Issues 479 and 480)—It is requested that Schedule (2) of Item 6100-194-0001 be increased by \$12,179,000, and Schedule (1) of Item 6100-196-0001 be decreased by \$12,179,000 to reflect the updated cost shift for nonlocal educational agency State Preschool programs from Proposition 98 General Fund to non-Proposition 98 General Fund, as proposed in the Governor's Budget.

Item 6100-194-0001, Local Assistance, Shift Non-Local Educational Agency State Preschool Funding to New Program (Issue 483)—It is requested that Schedule (1) of this item be decreased by \$126,508,000 and Schedule (2) of this item be increased by \$126,508,000 to align funding for the nonlocal educational agency State Preschool program to the new program created in the Governor's Budget for nonlocal educational agency State Preschool. This is a technical adjustment to conform to the Governor's Budget proposal.

Item 6100-194-0001, Local Assistance, Align State Preschool Expansion (Issue 484)—It is requested that Schedule (2) of this item be decreased by \$93,476,000 to reflect an adjustment to the Governor's Budget proposal to provide 10,000 State Preschool slots at non-local educational agencies beginning July 1, 2019. This adjustment reflects a change to release 2,500 slots starting April 1, 2020, and 7,500 slots starting July 1, 2020.

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

"13. Of the amount appropriated in Schedule (2), ~~\$124,876,000~~ \$31,400,000 is available beginning ~~July 1, 2019~~ April 1, 2020 to provide ~~40,000~~ 2,500 additional full-day state preschool slots to non-local educational agencies."

Item 6100-194-0001, Local Assistance, Child Care Programs Cost-of-Living Adjustment (Issue 488)—It is requested that this item be decreased by \$2,150,000 non-Proposition 98 General Fund to reflect a decrease in the cost-of-living adjustment from 3.46 percent to 3.26 percent.

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

"5. (a) The maximum standard reimbursement rate shall not exceed ~~\$49.64~~ \$49.54 per day for general child care programs. Furthermore, the migrant child care program shall adhere to the maximum standard reimbursement rates as prescribed for the general child care programs. All other rates and adjustment factors shall conform.

(b) Notwithstanding any other law, the maximum standard reimbursement rate shall not exceed ~~\$30.93~~ \$30.87 per day for part-day California state preschool programs. The maximum standard

reimbursement rate shall not exceed ~~\$49.95~~ \$49.85 for full-day California state preschool programs.”

Items 6100-194-0001 and 6100-194-0890, Local Assistance, Shift Federal Funds Out of State Preschool (Issues 489 and 490)—It is requested that Schedule (1) of Item 6100-194-0890 be decreased by \$50,381,000 Federal Trust Fund, Schedule (3) of Item 6100-194-0890 be increased by \$50,381,000 Federal Trust Fund, Schedule (4) of Item 6100-194-0001 be decreased by \$50,381,000 Proposition 98 General Fund and Schedule (2) of Item 6100-194-0001 be increased by \$50,381,000 Proposition 98 General Fund to reflect the shift of federal Child Care and Development funds from the State Preschool program to non-Proposition 98 General Fund. As a result of the Governor’s Budget proposal to eliminate the work requirement in the California State Preschool Program, the federal funds received for child care must be provided to programs that maintain the federally mandated work requirement.

Item 6100-194-0001, Local Assistance, Child Care Programs Growth Adjustment (Issue 491)—It is requested that this item be increased by \$2,307,000 non-Proposition 98 General Fund to reflect a revised growth adjustment for the 0-4 population from -0.89 percent to -0.68 percent.

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

“4. The amounts provided in Schedules (1), (2), (3), (4), and (9) of this item reflect an adjustment to the base funding of ~~-0.89~~ -0.68 percent for a decrease in the population of 0-4 year-olds.”

Item 6100-196-0001, Local Assistance, Preschool Programs Cost-of-Living Adjustment (Issue 487)—It is requested that Schedule (1) of this item be decreased by \$2,282,000 Proposition 98 General Fund to reflect a decrease in the cost-of-living adjustment from 3.46 percent to 3.26 percent.

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

“3. Notwithstanding any other law, the maximum standard reimbursement rate shall not exceed ~~\$30.93~~ \$30.87 per day for part-day California state preschool programs. The maximum standard reimbursement rate shall not exceed ~~\$49.95~~ \$49.85 for full-day California state preschool programs.”

Item 6100-196-0001, Local Assistance, Preschool Programs Growth Adjustment (Issue 492)—It is requested that Schedule (1) of this item be increased by \$2,504,000 Proposition 98 General Fund to reflect the revised growth adjustment for the 0-4 population from -0.89 percent to -0.68 percent.

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

“2. The amount provided in Schedule (1) reflects an adjustment to the base funding of ~~-0.89~~ -0.68 percent for a decrease in the population of 0-4 year-olds.”

Item 6100-202-0001, Local Assistance, California Subject Matter Projects (Issue 196)—It is requested that Item 6100-202-0001 be added in the amount of \$10 million one-time

non-Proposition 98 General Fund to support the California Subject Matter Projects (CSMP). The CSMP provides content-focused professional development and creates collaborative networks of K-12 teachers and university faculty. There are nine projects encompassing all of the academic disciplines and K-12 academic content standards.

It is further requested that Item 6100-202-0001 be added as follows to conform to this action:

6100-202-0001—For local assistance, State Department of Education, Preparing, Recruiting, and Training Effective Educators.....10,000,000

Schedule:

5205150-California Subject Matter Projects.....10,000,000

Provisions:

(1) The funds appropriated in this item shall be transferred to the University of California, which shall use the funds for the subject matter projects pursuant to Article 1 (commencing with Section 99200) of Chapter 5 of Part 65 of Division 14 of Title 3 of the Education Code. Funding shall be allocated to the nine projects as follows: \$1,750,000 each for Writing, Reading and Literature, Mathematics, and Science, with the balance split equally among the remaining five projects.

Item 6100-203-0001, Local Assistance, Proposition 98 Child Nutrition Program

(Issues 134 and 135)—It is requested that this item be decreased by \$275,000 Proposition 98 General Fund to reflect the revised cost-of-living adjustment applied to the per-meal reimbursement rates for the state child nutrition program at public school districts, county offices of education, and Proposition 98-eligible child care centers and homes.

It is also requested that this item be increased by \$1,719,000 Proposition 98 General Fund to reflect the revised estimate of meals served through the state child nutrition program. The resulting appropriation would fully fund, at the specified rates, all meals projected to be served in 2019-20.

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

“6. The reimbursement a school receives for free and reduced-price meals sold or served to pupils in elementary, middle, or high schools included within a school district, charter school, or county office of education shall be two-thousand four-hundred and ~~fifty~~ forty-five ten-thousandths cents (~~\$0.2450~~) (\$0.2445) per meal, and, for meals served in child care centers and homes, the reimbursement shall be one-thousand eight-hundred and ~~twenty-five~~ twenty-two ten-thousandths cents (~~\$0.1825~~) (\$0.1822) per meal.”

“8. Of the funds appropriated in this item, ~~\$5,737,000~~ \$5,462,000 is to reflect a cost-of-living adjustment.”

“9. The funds appropriated in this item reflect a growth adjustment of ~~\$1,592,000~~ \$3,311,000 due to an increase in the projected number of meals served.”

Item 6100-295-0001, Local Assistance, K-12 Mandated Cost Reimbursement Program

(Issue 192)—It is requested that this item be increased by \$1,000 Proposition 98 General Fund to reflect the addition of the Cal Grant: Opt-Out Notice and Grade Point Average Submission mandated program to the K-12 Mandated Cost Reimbursement Program. This mandate requires local educational agencies to: (1) notify grade 11 pupils that they will be a Cal Grant

applicant unless the pupil opts out within a time period specified in the notice, and (2) electronically submit the grade point averages of all grade 12 pupils each academic year to the California Student Aid Commission, except for pupils who have opted out.

It is further requested that sub-schedule (ww) be added as follows to conform to this action:

(ww) Cal Grant: Opt-Out Notice and Grade Point Average Submission (Ch. 679, Stats. 2014 and Ch. 82, Stats 2016) (16-TC-02).....1,000

Item 6100-296-0001, Local Assistance, Mandate Block Grant Funding (Issues 116, 190, and 191)—It is requested that this item be increased by \$208,000 Proposition 98 General Fund to align mandate block grant funding with revised average daily attendance estimates. Mandate block grant funding is allocated to participating local educational agencies based on specified reimbursement rates per unit of average daily attendance.

It is also requested that this item be decreased by \$463,000 Proposition 98 General Fund to reflect the revised cost-of-living adjustment.

It is also requested that this item be increased by \$300,000 Proposition 98 General Fund to reflect the addition of the Cal Grant: Opt-Out Notice and Grade Point Average Submission mandated program. This mandate requires local educational agencies to: (1) notify grade 11 pupils that they will be a Cal Grant applicant unless the pupil opts out within a time period specified in the notice, and (2) electronically submit the grade point averages of all grade 12 pupils each academic year to the California Student Aid Commission, except for pupils who have opted out.

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 2019–20 fiscal year pursuant to Section 17581.6 of the Government Code using the following rates:

(a) A school district shall receive ~~\$32.24~~ \$32.18 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$61.90~~ \$61.94 per unit of average daily attendance of pupils in grades 9 to 12, inclusive.

(b) A county office of education shall receive:

(1) ~~\$32.24~~ \$32.18 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$61.90~~ \$61.94 per unit of average daily attendance of pupils in grades 9 to 12, inclusive.

(2) ~~\$1.09~~ \$1.08 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 ~~\$46.90~~ \$16.86 per unit of average daily attendance of pupils in kindergarten to grade 8, inclusive, and ~~\$46.79~~ \$46.87 per unit of average daily attendance of pupils in grades 9 to 12, inclusive.”

“(4) Of the funds appropriated in this item, ~~\$8,131,000~~ \$7,668,000 is to reflect a cost-of-living adjustment.

(5) The funds appropriated in this item reflect a growth adjustment of ~~-\$1,265,000~~ -\$1,057,000 due to revised average daily attendance.”

Items 6100-485 and 6100-605-0001, Local Assistance, Reappropriation (Issue 432, 434, and 583)—It is requested that Items 6100-485 and 6100-605-0001 be amended to reflect a fund swap between ongoing and one-time Proposition 98 resources for the Local Control Funding Formula (LCFF).

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

(1) The sum of \$6,620,000 is hereby reappropriated to the State Department of Education for allocation by the Superintendent of Public Instruction ~~to school districts, and county offices of education, and charter schools for special education infrastructure investments pursuant to the provisions provided in the 2019 Education Omnibus trailer bill for this purpose~~ for allocation to school districts and charter schools in the 2019-20 fiscal year pursuant to Education Code section 42238.02.

Items 6100-488 and 6100-602-0001, Local Assistance, Reappropriation (Issues 006, 431, 435, 443, 539, 540, and 583)—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 \$150 million one-time Proposition 98 General Fund savings to reflect a fund swap between ongoing and one-time Proposition 98 General Fund for the LCFF, a backfill of property tax losses from wildfires for basic aid school districts, Child Nutrition Program reimbursement claims, and support for Oakland and Inglewood Unified School Districts’ operating budget deficit.

Item 6100-491, Support, Reappropriation for Legal Costs (Issues 048 and 693)—It is requested that Item 6100-491 be added to reappropriate one-time General Fund savings for legal costs associated with specified lawsuits, as follows:

6100-491—Reappropriation, State Department of Education. The amount specified 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, 2020:

0001—General Fund

(1) \$217,000 in Item 6100-001-0001, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), as reappropriated by Item 6100-491, Budget Act of 2016 (Ch. 23, Stats. 2016) and partially reverted by Item 6100-497, Budget Act of 2016 (Ch. 23, Stats. 2016), and as reappropriated by Item 6100-491, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), for external legal costs associated with an employment lawsuit.

(2) \$537,000 in Item 6100-001-0001, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), for costs associated with the *Ella T. v. State of California* lawsuit.

Item 6100-601-0001, Local Assistance, School District LCFF, Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 575, 576, 577, 578, 579, and 584)—It is requested that this non-Budget Act item be decreased by \$2,081,684,000 Proposition 98 General Fund to reflect the following: (1) a decrease of \$68,056,000 to reflect reduced growth estimates; (2) an increase of \$6,942,000 to reflect increased basic aid pupil

transfer costs, basic aid supplemental charter school costs, and Economic Recovery Target costs; (3) an increase of \$131,630,000 to reflect decreased offsetting property tax revenues; (4) a decrease of \$1,897,536,000 to reflect increased offsetting Education Protection Account revenues; (5) a decrease of \$4,134,000 to reflect decreased Minimum State Aid estimates; and (6) a decrease of \$250,530,000 to reflect a shifting of LCFF apportionment costs to one-time Proposition 98 resources.

Item 6100-601-3207, Local Assistance, Education Protection Account Adjustment, Continuous Appropriation (Issue 442)—It is requested that this non-Budget Act item be increased by \$1,913,835,000 Education Protection Account to reflect revised revenue estimates.

Item 6100-608-0001, Local Assistance, County Office of Education LCFF, Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issue 444, 534, 571, 572, 573, and 574)—It is requested that this non-Budget Act item be increased by \$33,049,000 Proposition 98 General Fund to reflect the following: (1) an increase of \$4,192,000 to reflect growth in average daily attendance and cost-of-living adjustment; (2) an increase of \$20,489,000 to reflect decreased offsetting property tax revenues; (3) a decrease of \$14,216,000 to reflect increased offsetting Education Protection Account revenues; (4) an increase of \$21,005,000 to reflect increased Minimum State Aid estimates; (5) an increase of \$424,000 to reflect revised estimates of the target-only County Office of Education additional appropriation; and (6) an increase of \$1,155,000 to reflect increased state system of support activity costs.

Item 6100-610-0001, Local Assistance, Education Protection Account Adjustment, Continuous Appropriation (Issue 437)—It is requested that this non-Budget Act item be increased by \$1,913,835,000 Proposition 98 General Fund to reflect revised Education Protection Account revenue estimates.

Item 6100-660-0001, Local Assistance, Ongoing Maintenance for the California School Dashboard and the School Accountability Report Card (Issue 061)—It is requested that this non-Budget Act item be increased by \$178,000 Proposition 98 General Fund, of which \$154,000 is ongoing, to support maintenance for the California School Dashboard and the School Accountability Report Card. The San Joaquin County Office of Education is the contractor for both systems.

Item 6100-698-3207, Local Assistance, Local Educational Agency Apportionments, Continuous Appropriation (Issue 441)—It is requested that this non-Budget Act item be decreased by \$1,913,835,000 Education Protection Account to reflect revised revenue estimates.

Current Year Adjustments

Item 6100-601-0001, Local Assistance, School District LCFF, Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issues 575, 576, 577, 578, 579, 580, and 582)—It is requested that this non-Budget Act item be increased by \$253,867,000 Proposition 98 General Fund to reflect the following: (1) an increase of \$65,305,000 to reflect increased growth estimates; (2) an increase of \$6,946,000 to reflect increased basic aid pupil transfer costs, basic aid supplemental charter school costs, and Economic Recovery Target costs; (3) an increase of \$129,239,000 to reflect decreased offsetting property tax revenues; (4) a decrease of \$60,820,000 to reflect increased offsetting Education Protection Account

revenues; (5) a decrease of \$4,134,000 to reflect decreased Minimum State Aid estimates; (6) an increase of \$106,908,000 to reflect a revised estimate of one-time Proposition 98 resources used to fund LCFF apportionment costs; (7) an increase of \$10,423,000 to reflect revised estimates of offsetting local revenues filling the gap to fully fund LCFF implementation.

Item 6100-601-3207, Local Assistance, Education Protection Account Adjustment, Continuous Appropriation (Issue 442)—It is requested that this non-Budget Act item be increased by \$62,593,000 Education Protection Account to reflect revised revenue estimates.

Item 6100-608-0001, Local Assistance, County Office of Education LCFF, Continuous Appropriation, Base Adjustments, and Local Property Tax Offsets (Issue 444, 534, 571, 572, 573, and 574)—It is requested that this non-Budget Act item be increased by \$37,911,000 Proposition 98 General Fund to reflect the following: (1) an increase of \$4,690,000 to reflect growth in average daily attendance and cost-of-living adjustment; (2) an increase of \$17,317,000 to reflect decreased offsetting property tax revenues; (3) an increase of \$298,000 to reflect decreased offsetting Education Protection Account revenues; (4) an increase of \$14,766,000 to reflect increased Minimum State Aid estimates; (5) an increase of \$190,000 to reflect revised estimates of the target-only County Office of Education additional appropriation; and (6) an increase of \$650,000 to reflect increased state system of support activity costs.

Item 6100-610-0001, Local Assistance, Education Protection Account Adjustment, Continuous Appropriation (Issue 437)—It is requested that this non-Budget Act item be increased by \$1,913,835,000 Proposition 98 General Fund to reflect revised Education Protection Account revenue estimates.

Item 6100-698-3207, Local Assistance, Local Educational Agency Apportionments, Continuous Appropriation (Issue 441)—It is requested that this non-Budget Act item be decreased by \$62,593,000 Education Protection Account to reflect revised revenue estimates.

Trailer Bill Language (see Attachment 2)

Various Technical Amendments—The Administration proposes trailer bill language to make various technical amendments as follows:

- Include reporting to the Joint Legislative Budget Committee for the Cradle to Career Data Insights workgroup's reports and specify that nominees submitted for the workgroup shall include representatives from appropriate departments overseen by an agency.
- Aligns the Statewide authorized charter school in-lieu of property tax transfer calculation with the calculation used for countywide benefit charters.

Emergency Childcare Diversion Voucher Pilot Program—The Administration proposes trailer bill language to establish a new pilot program to provide immediate assistance to families in need of one-time emergency child care. This program will be administered by the Department of Education through contracts with Alternative Payment Programs.

State Preschool Wrap Care Eligibility—The Administration proposes amendments to trailer bill language to align with changes to the work requirement in the California State Preschool Program proposed in the Governor's Budget.

Early Learning and Care Workforce Master Plan, Workforce Development, and Infrastructure Proposal—The Administration proposes amendments to trailer bill language included in the Governor's Budget to provide additional clarity and details to the Early Learning and Care proposal.

Postretirement Limitation Exemption for Districts Subject to Emergency

Apportionments—The Administration proposes trailer bill language to provide an exemption to the postretirement compensation limitations for school districts that have received an emergency appropriation. This exemption would only apply to vacant positions at the school principal level or higher and when the applicant had previously served in an equivalent position.

Non-waivable Local Control Funding Formula Sections—The Administration proposes trailer bill language to expand the list of non-waivable sections of law to include all Education Code sections that pertain to the LCFF apportionment calculations. Apportionment statutes are not subject to waiver by the State Board of Education.

Schoolsite Council Meeting Requirements—The Administration proposes trailer bill language to make technical amendments to clarify the schoolsite council requirements for schools and local educational agencies, in line with the provisions of Chapter 471, Statutes of 2018 (AB 716).

Settle-Up Payments—The Administration proposes amendments to trailer bill language to redistribute the amount of settle-up paid toward outstanding Proposition 98 fiscal years. While the \$686.6 million of settle-up paid in the Governor's Budget remains unchanged, a change in distribution is proposed as follows: increase the amount of the one-time funding for the local control funding formula, provide an offset to cover the increased cost of the LCFF as a result of the San Francisco Unified School District 2016-17 property tax correction; provide deferred maintenance for the community colleges; and shift the proposed funding for special education and the Strong Workforce program to ongoing Proposition 98 General Fund. In addition, \$36 million in settle-up is provided in a separate section to the newly added Classified Employee Summer Assistance program.

Teacher Assignment Monitoring—The Administration proposes amendments to trailer bill language to: (1) designate county offices of education to oversee the review of teacher misassignments at districts, (2) designate authorizing entities to oversee the review of teacher misassignments at charter schools, and (3) declare the first year of the new teacher assignment monitoring process to be a nonconsequential trial run for local educational agencies.

21st Century California School Leadership Academy—The Administration proposes trailer bill language to establish the 21st Century California School Leadership Academy to provide leadership development for principals and other school leaders.

Disaster Relief Provisions for Wildfire affected Districts—The Administration proposes trailer bill language to extend the hold-harmless funding provisions to school districts and charter schools that experienced average daily attendance losses as a result of the 2018 wildfires through 2020-21. Additionally, Paradise Unified School District may request that the Fiscal Crisis & Management Assistance Team conduct a review of the need for additional funding for the district post 2020-21.

Charter School Enrollment—The Administration proposes trailer bill language to prohibit charter schools from discouraging students from enrolling in a charter school or encouraging

students to disenroll from a charter school on the basis of academic performance or student characteristic, or from obtaining specified student information prior to enrollment. The Administration also proposes trailer bill language to require the SDE to conduct a study on the feasibility of using student enrollment data from the California Longitudinal Pupil Assessment Data System to identify potential instances of practices that discourage students from enrolling in charter schools.

Uniform Complaint Procedures for Grade 9 to 12 Physical Education Minutes—The Administration proposes trailer bill language that expands the Uniform Complaint Procedures to include complaints of non-compliance with required minimum instructional minutes for physical education for grades 9 to 12. The proposed legislation conforms to the existing process for grades 1 to 8.

Local Indicators for Conditions of Learning—The Administration proposes trailer bill language to improve transparency and comparability by requiring that local indicators reflect school site-level data, if it is currently collected statewide by the SDE.

Special Education Local Plan Area (SELPA) Assurances Plan—The Administration proposes trailer bill language to extend the deadline for the development of the SELPA assurances support template by one year, to give the Department of Education additional time to consider stakeholder input. Moreover, this change requires adjusting the deadline by which SELPA's must submit the assurances support plan to align it with the development of the template.

Special Education Interagency Collaborative—The Administration proposes trailer bill language to convene staff from the Department of Education, the Department of Health Care Services, the Department of Developmental Services, local educational agencies, and regional centers to improve coordination between these entities in providing services and supports for students with disabilities. The goals of the interagency collaborative will be to increase school districts' ability to draw down federal funds for medically-related special education services and to improve the transition of three-year-olds with disabilities from regional centers to school districts.

Out-of-Home Care Funding Amounts—The Administration proposes trailer bill language to reinstate the reference to 2017-18 in the section relating to the calculation of out-of-home-care funding rates for the 2017-18 through the 2019-20 fiscal years. This reference was inadvertently left out at Governor's Budget.

K-12 Mandate Block Grant Adjustments—The Administration proposes trailer bill language that adds the Cal Grant: Opt-Out Notice and Grade Point Average Submission (16-TC-02) mandated program to the K-12 mandate block grant.

Southern California Regional Occupational Center (Issue 308)—The Administration proposes trailer bill language to appropriate \$2 million Proposition 98 General Fund to the SoCal ROC for instructional and operational costs.

California School Dashboard and School Accountability Report Card, Maintenance and Support—The Administration proposes trailer bill language to require the SDE to contract with the San Joaquin County Office of Education to provide ongoing maintenance for the California School Dashboard and School Accountability Report Card.

Property Tax Loss Backfill for Wildfire affected Basic Aid Districts—The Administration proposes trailer bill language to backfill wildfire affected basic aid school districts for property tax losses in 2018-19 and 2019-20 as a result of the 2018 wildfires.

Special Education Redevelopment Agency Revenue Backfill—The Administration proposes trailer bill language to backfill Special Education programs for 2018-19 and 2019-20 to the extent that property tax revenues from Redevelopment Agency dissolution is not sufficient to cover the appropriation in the 2018 and 2019 Budget Acts for Special Education.

Broadband Infrastructure Grant Program—The Administration proposes trailer bill language that appropriates \$15 million one-time non-Proposition 98 General Fund to ensure schools in California have adequate broadband connectivity to ensure digital learning opportunities for all students.

Educator Workforce Investment Grant—The Administration proposes trailer bill language that appropriates \$34.8 million non-Proposition 98 General Fund to provide statewide training and resources for teachers and paraprofessionals, to build capacity around inclusive practices, social emotional learning, and restorative practices as well as subject matter competency, including STEM, and to establish the California Computer Science Coordinator to provide statewide coordination in implementing the Computer Science Content Standards, support statewide professional development, and lead the implementation of the computer science strategic implementation plan.

Classified School Employee Summer Assistance Program—The Administration proposes trailer bill language that appropriates \$36 million one-time Proposition 98 General Fund to provide state matching funds to classified school employees that elect to have a portion of their monthly paychecks withheld during the school year and then paid during the summer recess period.

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 Ed Hanson, Principal Program Budget Analyst, at (916) 445-0328.

KEELY MARTIN BOSLER
Director
By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Nick Schweizer, Deputy Superintendent, State Department of Education
Ms. Leisa Maestretti, Fiscal and Administrative Services Director, State Department of Education

“6100-488—Reappropriation, State Department of Education. Notwithstanding any other law, the balances from the following items are available for reappropriation for the purposes specified in Provisions 4 2 to 6:

0001—General Fund

1. \$2,357,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for After School Education and Safety Program in the 2017-18 fiscal year pursuant to Section 8483.5 of the Education Code.
2. \$136,000,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Preschool Education in Schedule (1) of Item 6100-196-0001 of the Budget Act of 2018 (Chs. 29 and 30, Stats. 2018).
3. \$14,000,000 or whatever of lesser amount of the unexpended balance of the amount appropriated for the Classified School Employee Summer Assistance Program in Section 133 of Chapter 32 of the Statutes of 2018, and as amended by Section 37 of Chapter 426 of the Statutes of 2018.

Provisions:

1. The sum of \$2,357,000 hereby reappropriated to the State Department of Education for allocation by the Superintendent of Public Instruction to school districts, and county offices of education, and charter schools for special education infrastructure investments pursuant to the provisions provided in the 2019 Education Omnibus trailer bill for this purpose.
2. The sum of \$727,000 is hereby reappropriated to the State Department of Education to be used consistent with the provisions of Item 6100-203-0001 of the Budget Act of 2017 (Chs.14 and 22, Stats. of 2017) for child nutrition program reimbursement claims submitted by local educational agencies pursuant to Education Code section 49505, subdivision (c).
3. The sum of \$3,633,000 is hereby reappropriated to the Superintendent of Public Instruction for allocation to the Inglewood Unified School District in accordance with the provisions of the Budget Act of 2018 (Chs. 29 and 30, Stats. of 2018).
4. The sum of \$514,000 is hereby reappropriated to the Superintendent of Public Instruction for allocation to the Oakland Unified School District in accordance with the provisions of the Budget Act of 2018 (Chs. 29 and 30, Stats. of 2018).
5. The sum of \$2,027,000 is hereby reappropriated to the Superintendent of Public Instruction for allocation to the 2017 and 2018 wildfire affected basic aid school districts pursuant to the Budget Act of 2018 (Chs. 29 and 30, Stats. of 2018) and pending legislation, according to a schedule provided by the Department of Finance.
6. The sum of \$145,456,000 is hereby reappropriated to the Superintendent of Public Instruction for allocation to school districts and charter schools in the 2019-20 fiscal year pursuant to education code section 42238.02 pursuant to the provisions provided in the 2019 Education Omnibus Trailer Bill for this purpose.”

Proposed Trailer Bill

The May Revision proposes the following trailer bill language changes. Incremental changes to the Governor's Budget proposal are highlighted in bold font.

State Preschool Wrap Care Eligibility

Section 8239 of the Education Code is amended to read:

- (a) The Superintendent shall encourage state preschool program applicants or contracting agencies to offer full-day services through a combination of part-day preschool slots and wraparound general child care and development programs. In order to facilitate a full day of services, all of the following shall apply: (1) Part-day preschool programs provided pursuant to this section shall operate between 175 and 180 days.
- (2) Wraparound general child care and development programs provided pursuant to this section may operate a minimum of 246 days per year unless the child development contract specified a lower minimum days of operation. Part-day general child care and development programs may operate a full day for the remainder of the year after the completion of the preschool program.
- (3) Part-day preschool services combined with wraparound child care services shall be reimbursed at a base rate determined pursuant to Section 8265 and in the annual Budget Act, using adjustment factors pursuant to Section 8265.5.
- (4) Three- and four-year-old children are eligible for wraparound child care services to supplement the part-day California state preschool program if the family meets at least one of the criteria specified in **subparagraph (A) of paragraph (1) of subdivision (a) of Section 8263,** ~~and the parents meet at least one of the criteria specified in paragraph (2) of subdivision (a) of Section 8263.~~
- (b) For purposes of this section, "wraparound child care services" and "wraparound general child care and development programs" mean services provided for the remaining portion of the day or remainder of the year following the completion of part-day preschool services that are necessary to meet the child care needs of parents eligible pursuant to subdivision (a) of Section 8263. These services shall be provided consistent with the general child care and development programs provided pursuant to Article 8 (commencing with Section 8240).

Emergency Childcare Diversion Voucher Pilot Program

Section 83XX of the Education Code is added to read:

(New for May Revision)

The Emergency Child Care Diversion Pilot Program is hereby created to provide one-time emergency child care assistance for families in crisis.

(a) It is the intent of the Legislature in enacting this program that participating alternative payment programs make accessible information about the availability of one-time emergency child care assistance readily available to as many families as possible within each programs' service area.

(b) By January 1, 2020, the State Department of Education shall identify up to twelve (12) alternative payment programs to regionally administer funds appropriated for the Emergency Child Care Diversion Pilot Program. Alternative payment programs shall be selected to participate in the Emergency Child Care Diversion Pilot Program based on demonstrated need in the service region for emergency child care assistance and ability to effectively and efficiently administer the program pursuant to this section. Alternative payment programs selected shall represent a diversity of communities across the state.

(c) Upon the approval of the State Department of Education, funds appropriated for the purposes of this chapter are for allocation to alternative payment programs to administer emergency child care diversion vouchers. The alternative payment provider shall determine whether a family applying for assistance is eligible for assistance pursuant to this section. An applicant may receive assistance pursuant to this section if any of the following conditions are met:

(1) The applicant needs immediate access to subsidized child care because the applicant does not have sufficient resources to meet his or her immediate child care needs and failure to secure subsidized child care could result in the loss of a job, job opportunity, or a reduction to income earned. Examples of emergency situations include, but are not limited to, notice of termination or loss of child care services, as a result of inability to meet financial obligations or unanticipated termination notification of the current child care provider.

(2) The applicant would materially benefit from a one-time emergency child care voucher or cash payment to pay the balance of outstanding childcare bill or invoice, credit card statement, or proof of the need for a one-time down payment for child care. The alternative payment provider shall make this determination in its sole discretion. In making this determination, the alternative payment provider shall consider whether the applicant is likely to be able to avoid the need for extended assistance beyond the diversion period if the family was provided one-time assistance.

(d) An applicant may not receive assistance pursuant to this section if they are otherwise receiving assistance through CalWORKs, the CalWORKs diversion program, pursuant to section 11266.5 of the Welfare and Institutions Code, or the CalWORKs Emergency Child Care Bridge Program, pursuant to section 11461.6 of the Welfare and Institutions Code. An applicant shall not be considered eligible for assistance pursuant to this section if their income level exceeds 85 percent of the state median income pursuant to Section 8263.1. Additionally, assistance may not be provided for the care of a child older than twelve (12) years of age, unless the child has exceptional needs, in which case assistance may be provided if the child with exceptional needs is younger than 22 years of age.

(e) If the alternative payment provider, determines, pursuant to subdivision (b), that an applicant could benefit from one-time emergency child care diversion assistance, the alternative payment provider shall inform the applicant of its determination.

(f) An applicant for aid under this chapter may either participate in the one-time emergency diversion payment program or decline participation in diversion and, instead, receive cash aid if otherwise provided for in this chapter.

(g) One-time emergency child care diversion payments or voucher services provided pursuant to this section may include any cash or noncash payment whereas the following conditions apply:

(1) The grant is provided on a one-time basis and only available for a three month period.

(2) The amounts shall be negotiated by the alternative payment program and the applicant in order to assist the applicant in avoiding the need for aid under this chapter. The actual amounts issued will be determined based on the identified need for the individual family.

(3) The maximum amount of the payment provided or value of the voucher received shall be \$2,000, unless the alternative payment provider determines otherwise.

(4) The amount determined may be for a single need or a combination of needs.

(5) The amounts may be paid directly to a child care provider or to the individual receiving aid if deemed appropriate by the alternative payment provider.

(h) To the extent permitted by federal law, one-time emergency child care diversion payments or vouchers shall not be considered income for the purpose of determining eligibility for other subsidized programs.

(i) Any child support collected by the applicant or recovered by the county shall not be used to offset the diversion payment.

- (i) On or before July 1 of each year of the pilot program, each alternative payment program that allocated funding through the Emergency Child Care Diversion Pilot Program shall submit the following data to the State Department of Education: the number of families served in the program, the amount of each child care emergency diversion payment, and the reason for diversion payment. On or before August 1 of each year of the pilot program, the department shall compile the data submitted by the alternative payment providers and submit a report to the chairs of the relevant legislative subcommittees and the Department of Finance.
- (k) It is the intent of the Legislature that funding for the Emergency Child Care Diversion Pilot Program shall be appropriated in the annual Budget Act through fiscal year 2021-22.

Early Learning and Care Workforce Master Plan, Workforce Development, and Infrastructure Proposal

Article 22.1 (commencing with Section 8465), Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code is amended to read:

- (a) The Legislature finds and declares all of the following:
- (1) Providing children in California with a healthy start is one of the best investments the state can make.
 - (2) Research links early childhood interventions and improved life outcomes, including higher education levels, better health, and stronger career opportunities.
 - (3) Access to high-quality, affordable childcare and early learning programs is essential for all families.
 - (4) Parents are more likely to be successful in school and career if they know that their children are safe and productively engaged throughout the day.
 - (5) Children who are emotionally, developmentally, and academically supported in a care setting are more likely to start school ready to learn and continue to excel once they are enrolled in school.
- (b) To implement a more well-aligned, comprehensive childcare system in the state, on or before October 1, 2019, ~~the executive director of the State Board of Education or the executive director's designee, in consultation with the Superintendent of Public Instruction and the Director of the State Department of Social Services,~~ **the California Department of Education, subject to approval by the Executive Director of the State Board of Education and his or her designee and in consultation with the director of the Department of Social Services,** shall enter into a contract with a **one or more** nongovernmental research and policy agencies to develop recommendations for future investment in the state's system of subsidized childcare and early learning for children from birth to five years of age, inclusive, with specific focus on children in high-need, low-income areas. These recommendations shall be compiled in a report, **or series of reports,** to be completed on or before October 1, 2020, **but released on a flow basis,** and provided to the Governor, the chairpersons of the legislative policy and budget committees for education and health and human services, the executive director of the State Board of Education or the executive director's designee, the Superintendent of Public Instruction, the Director of the State Department of Social Services, and the Director of Finance.
- (c) For purposes of subdivision (b) of this section, the California Department of Education may enter into an exclusive or nonexclusive contract on a bid or negotiated basis. Any contract entered into or amended pursuant to subdivision (b) of this section shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and shall be exempt from the review or approval of any division of the Department of General Services.**

(d) Notwithstanding any other law, the one or more nongovernmental research and policy agencies may subcontract as necessary in the performance of its duties, subject to approval of the Executive Director of the California State Board of Education or his or her designee.

(1) The report **or series of reports** shall include all of the following:

(A) A blueprint **Master Plan** for the state's system of subsidized childcare and early learning for children from birth to five years of age, inclusive, that equally prioritizes parents' need for care in order to work and the educational needs of young children. This new system shall balance all of the following:

(i) Access and affordability for families.

(ii) A wage and working environment that values and supports childcare professionals.

(iii) A setting and curriculum that invests in children's social, emotional, and academic development.

(iv) A seamless system of wraparound services that supports a diverse child population and mitigates any barriers to learning.

(B) A framework, including options to generate needed revenues, **examine alternate funding streams, and** implement a comprehensive, high-quality childcare and prekindergarten education system in California. This framework shall reflect **incorporate** the principles of shared responsibility, **fiscal sustainability, and regional variability by examining the following:**

(i) The appropriate role for government, businesses, and parents in meeting child care and prekindergarten education needs.

(ii) A cohesive system of provider reimbursement that reflect the variations in the cost of doing business across the state.

(iii) The current allocation of state and federal funding for child care and prekindergarten education across the state, specifically by measures of local needs and access to subsidized care.

(C) Ways to simplify the subsidized childcare system, bring greater cohesion and stability to the system, **identify barriers to providing and receiving care,** and increase access to childcare subsidies, including by considering all of the following:

(i) A cohesive system of provider reimbursement that reflects the variations in the cost of doing business across the state and the costs of serving a diverse population of children, including children with disabilities and dual language learners.

(ii) A single set of minimum quality and program guidelines for all subsidized childcare providers by setting.

(iii) A career pathway for childcare professionals that provides upward mobility and produces a trained and stable workforce, but **and** also considers **the role of higher education in workforce development, the added benefit of additional coaching and training supports,** and potential barriers to access for families resulting from a lack of qualified childcare professionals.

(iv) Improved efficiency for parents to access information about subsidized care, to apply for and use subsidies, and to access care that meets their needs, including for those requiring care for their children during nonstandard hours of the day and week.

(v) Improved efficiency for providers accepting subsidies to receive payment for services.

(vi) A data system developed in coordination with the Cradle-to-Career Data Insights Act, that enables parents, providers, and policymakers to provide appropriate interventions and supports to address disparities in opportunities for children aged 0-5.

(vii) Needs of subsidized providers in maintaining or improving their facility capacity, including their decision-making framework for choosing their current facility arrangements.

(D) Necessary steps to provide universal prekindergarten education for all three- and four-year-old children in California, including by considering all of the following:

(i) Recommendations to address the overlap between the transitional kindergarten, state preschool, and Head Start programs, and ensure that all children, regardless of family income, have access to the same level of prekindergarten program quality.

~~(ii) Strategies to address facility capacity and ensure a trained workforce is available.~~ **Strategies to identify families' decision-making framework for choosing among prekindergarten programs, and measuring unmet need for families who are unable to access a quality program.**

(iii) Recommendations to align prekindergarten education with the subsidized childcare system and the elementary and secondary education system, to ensure that children have access to a full day of care, as needed, and ensure seamless matriculation to elementary and secondary education.

~~(E) An assessment of the current allocation of public funding for childcare and prekindergarten education across the state, specifically by measures of local needs and access to subsidized care.~~

~~(FE)~~ Estimated costs to implement the recommendations included in the report as well as strategies for prioritizing state investments in childcare and prekindergarten education in future years. **These strategies and priorities shall be developed with consideration of fiscal sustainability.**

(2) The report developed pursuant to paragraph (1) shall build on prior childcare system and prekindergarten education research and data, including that developed by the State Department of Education, the State Department of Social Services, the State Advisory Council on Early Learning and Care, and the Legislature.

(c) The requirements of subdivision (b) shall be funded from funds appropriated for this purpose in the Budget Act of 2019.

(d) By June 30, 2021, the unencumbered balance of any appropriation provided for the support of the activities described in subdivision (b) shall be made available for activities described in Section 8465 upon approval of the Director of Finance.

Article 22.1. ~~Childcare~~**Early Learning and Care** Infrastructure and Workforce Development Grants

8465. (a) The Superintendent shall administer ~~an infrastructure grants program for construction of new, or retrofitting of existing, the Early Learning and Care Infrastructure Grant Program to expand access to early learning and care opportunities for children up to five years of age by providing resources to build new facilities or retrofit, renovate or expand existing~~ **childcare and preschool** facilities pursuant to this section.

(b) The ~~Superintendent shall award~~ infrastructure grants ~~shall be awarded~~ on a competitive basis to ~~childcare and preschool~~ **early learning and care** providers that are not local educational agencies, ~~including those that operate as a childcare center or a family childcare home, and operate as a licensed childcare center, preschool, or licensed family child care home~~ for the following purposes:

(1) Construction of new early learning and care facilities to increase capacity or recover lost capacity as a result of a state or federally declared disaster.

(2) Renovation, repair, modernization, or retrofitting existing early learning and care facilities to increase capacity or recover lost capacity as a result of a state or federally declared disaster, or make existing early learning and care facilities more resilient for future natural disasters.

(3) Renovation, repair, modernization, or retrofitting of existing facilities for use as early learning and care facilities.

~~The Superintendent shall allocate a portion of the funds available for the grants each fiscal year through the 2023–24 fiscal year, in approximately equal amounts each fiscal~~

~~year.~~ **(c) The Superintendent shall require both of all of the following from applicants for the infrastructure grants:**

(1) A proposal to increase capacity and local access to subsidized early learning and preschool care programs for children up to five years of age, including children with exceptional needs. The proposal information shall quantify the number of additional subsidized children proposed to be who will be served provided with access to subsidized early learning and care programs.

(2) A plan to fiscally sustain the increase in subsidized spaces or programs created through the use of these funds. Subsidies may be funded with private, local, state, or federal funds, but shall be able to demonstrate reasonable expectations of sustainability.

(3) Specific activities and materials for which grant funding will be used.

(4) A description of how the applicant will measure outcomes associated with the proposal submitted pursuant to paragraph (1), as specified by the Superintendent.

(5) An outline of any potential challenges or barriers the applicant will experience or expect to experience in building capacity including the need for any technical assistance to address the issues identified.

(c) The Superintendent shall give pPriority for grant funding shall be given based on the following:

(1) Applicants with a demonstrated need for expanded access to subsidized childcare or preschool early learning and care programs as measured by the ratio of children in subsidized early learning and care programs to eligible children in the applicant's service area.

(2) Applicants in low-income communities, as measured by the proportion of children that qualify for state or federal subsidies for childcare or preschool early learning and care programs.

(3) Applicants who plan to use grant funding to serve children that qualify for state or federal subsidies for childcare or preschool early learning and care programs.

(d) Infrastructure grants may be used for one-time infrastructure costs only, including, but not limited to, universal design facility renovations, the cost of design, engineering, testing, inspections, plan checking, construction management, site acquisition and development, evaluation and response action costs relating to hazardous substances at a new or existing site, demolition, construction, landscaping, or other related costs as determined by the Superintendent.

(e) Infrastructure grant recipients shall commit to providing program data to the department, as specified by the Superintendent, and participate in overall program evaluation.

(f) The infrastructure grants program created pursuant to this section shall be funded from funds appropriated for this purpose in the Budget Act of 2019. Of the amount provided for this program, the Superintendent shall allocate a portion of the funds available for the grants through the 2023–24 fiscal year, in approximately equal amounts each fiscal year as follows:

(1) In fiscal year 2019-20, for licensed early learning and care centers that are not local educational agencies, pursuant to this section.

(2) In each fiscal year thereafter, for all licensed early learning and care providers, including licensed family child care home providers, to the extent the process described in subdivision (g) is complete.

(g) Notwithstanding any part of this section, the Superintendent, with concurrence of the Executive Director of the State Board of Education, shall ensure that funding released after October 1, 2020 reflects the recommendations and priorities of the Master Plan for Early Learning and Care.

(h) Before March 1, 2020, the Superintendent, with concurrence of the Department of Finance, shall determine an appropriate method, process, and structure for grant management, fiscal accountability, and technical assistance and supports for grantees

that ensures transparency and accountability in the use of state funds. Consideration shall be given to the use of one or more financial intermediaries, state financial entities, or other organizations. The Superintendent will notify the Joint Legislative Budget Committee when this process is determined.

8466. (a) The Superintendent shall administer ~~a competitive workforce development grants program~~ the Early Learning and Care Workforce Development Grants Program to expand the number of qualified childcare and early learning professionals and increase the educational credentials of existing childcare and early learning professionals across the state, pursuant to this section.

(b) ~~The department shall administer the workforce development grants through local partnerships in all 58 counties in the state. The Superintendent shall allocate a portion of the funds available for the grants each fiscal year through the 2023–24 fiscal year, in approximately equal amounts each fiscal year. Of the amount provided for this program in the Budget Act of 2019, the Superintendent shall allocate a portion of the funds available for the grants through the 2023–24 fiscal year, in approximately equal amounts each fiscal year.~~

(c) The Superintendent shall award and administer the workforce development grants to local and/or regional quality improvement partnerships, as defined by the Superintendent, representing all 58 counties across the state. A local and/or regional quality improvement partnership may form a consortia with one or more regional partners. All local and/or regional partners partnerships shall submit a plan to the department that describes how they will allocate funds and increase the number, and qualifications, and competencies of childcare and early learning professionals in their county. The plan shall also describe how local partners partnerships will engage in collaborative partnerships with their members, local governmental agencies, businesses, nonprofit organizations, or other interested partners to improve the educational attainment of childcare and early learning professionals in their county or region, including those working in centers, family child care homes, and license-exempt settings.

~~(ed)~~ Workforce development grant award amounts shall be determined based on the following criteria:

(1) Demonstrated need for childcare professionals in each county or region.

(2) The cost of living in each county or region.

(3) The number of children under 13 years of age in each county or region who are in a family whose income is up to 85 percent of the state median income.

~~(de)~~ Workforce development grants may be used for costs associated with the educational expenses of current and future childcare and early learning professionals that move those professionals along the childcare and early learning professional continuum career lattice and support their attainment of increased education in early childhood instruction or child development, including:

(1) Tuition, supplies, and other related educational expenses.

(2) Transportation and childcare costs incurred as a result of attending classes.

(3) Substitute teacher pay for childcare and early learning professionals that are currently working in a subsidized childcare and early learning setting.

(4) Stipends and professional development expenses as determined by the Superintendent.

~~(45)~~ Other educational expenses as determined by the Superintendent.

(f) Local and/or regional partnerships awarded funding pursuant to this section may partner with local or online accredited higher education institutions, local agencies that provide high-quality, credit-bearing trainings, or apprenticeship programs that integrate and embed higher education coursework with on the job training of professionals.

(g) The Superintendent may set aside no more than 1 percent of the total funding appropriated for the Early Learning and Care Workforce Development Grants Program to provide technical assistance and support for grantees and potential grantees on developing proposals for and implementing workforce development grants.

(eh) Local partners receiving grants shall commit to providing program data to the department, as specified by the Superintendent, **including but not limited to recipient information, educational progress and employment status,** and participate in overall program evaluation.

(fi) The competitive workforce development grants program created pursuant to this section shall be funded from funds appropriated for this purpose in the Budget Act of 2019.

(i) Notwithstanding any part of this section, the Superintendent, with concurrence of the Executive Director of the State Board of Education, shall ensure that funding released after October 1, 2020 reflects the recommendations and priorities of the Master Plan for Early Learning and Care.

Cradle-to-Career Data Insights Act

Section 10850 of the Education Code is amended to read:

10850. This chapter shall be known, and may be cited, as the Cradle-to-Career Data Insights Act.

10851. For purposes of this chapter, the following definitions apply:

(a) "Data System" means statewide data infrastructure that integrates data from various Partner Entities and supports the purposes identified in this chapter.

(b) "Partner Entity" means an organization that can provide information to the Data System to advance the purposes identified in this chapter and includes, but is not limited to, state entities responsible for elementary and secondary education data, **early learning data**, segments of public higher education, private colleges and universities, state entities responsible for student financial aid, childcare providers, state labor and workforce development agencies, and state departments administering health and human services programs.

(c) "Planning Facilitator" means an entity with expertise in data governance, privacy, security, quality, **reporting**, and user-centered design.

(d) "Workgroup" means the Cradle-to-Career Data Insights Workgroup established pursuant to Section 10853.

10852. It is the intent of the Legislature in enacting this chapter to do all of the following:

(a) Build a Data System to enable Partner Entities to share information in a manner that promotes data privacy and security.

(b) Design a Data System that minimizes the need for new infrastructure, is adaptable, and is flexible to meet future needs.

(c) Serve students and families by doing all of the following:

(1) Identifying and tracking predictive indicators to enable parents, teachers, health and human services providers, and policymakers to provide appropriate interventions and supports to address disparities in opportunities and improve outcomes for all students.

(2) Creating direct support tools for teachers, parents, advisors, and students.

(3) Enabling agencies to plan for and optimize educational, workforce, and health and human services programs.

(4) Advancing academic and governmental research on improving policies within the cradle-to-career spectrum.

(d) Improve the quality and reliability of data reported, and ensure consistency of key data definitions.

(e) Identify additional data points and metrics that can be developed and integrated into the Data System to support the goals of this chapter.

10853. (a) The Cradle-to-Career Data Insights Workgroup is hereby established to do the following:

(1) Assess and recommend Data System structural components, processes, and options for expansion and enhancement of Data System functionality, to be outlined in the reports required pursuant to Sections 10856 and 10857.

(2) Advise ongoing efforts to develop, administer, and enhance the Data System.

(b) Meetings of the Workgroup are subject to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

10854. (a) The Governor shall select one or more nominees from each of the following entities to serve on the Workgroup:

(1) The executive director of the state board or the executive director's designee.

(2) The department, including at least one representative from the divisions responsible for early learning activities and educational data reporting. ~~Early Learning and Care Division and at least one representative from the Analysis, Measurement and Accountability Reporting Division.~~

(3) The Office of the Chancellor of the California Community Colleges.

(4) The University of California.

(5) The California State University.

(6) The Commission on Teacher Credentialing.

(7) The Student Aid Commission.

(8) The Employment Development Department.

(9) The Labor and Workforce Development Agency.

(10) The California Health and Human Services Agency.

(b) By July 15, 2019, each of the entities identified in subdivision (a) other than the University of California shall, and the University of California is requested to, submit up to five nominees for consideration by the Governor. For agencies specified in subsection (a), paragraphs 9 and 10, the nominees submitted pursuant to this section may include representatives from appropriate departments overseen by the agency.

(c) Each entity serving on the Workgroup pursuant to subdivision (a) other than the University of California shall, and the University of California is requested to, collaborate with its respective constituents and represent its field and stakeholders in performing Workgroup functions. For purposes of this subdivision, constituents and stakeholders may include, but are not limited to, potential end users of the Data System and individuals impacted by the programs or services about which data may be collected within the Data System.

10855. (a) The executive director of the state board, or the executive director's designee, shall lead the Workgroup.

(b) The department, subject to approval by the executive director of the state board or the executive director's designee, shall contract with Planning Facilitators to perform, in consultation with the executive director of the state board or the executive director's designee, the following duties:

(1) Provide facilitation and staff support to the Workgroup.

(2) Conduct research and gather relevant information for consideration by the Workgroup in fulfilling its responsibilities pursuant to paragraph (1) of subdivision (a) of Section 10853.

(3) Produce the reports required pursuant to Sections 10856 and 10857.

(4) Support the Partner Entities in advancing the purposes of this chapter, including, but not limited to, by assisting the Partner Entities to complete the activities specified in Section 10858.

(c) For purposes of subdivision (b), the department may enter into exclusive or nonexclusive contracts with Planning Facilitators on a bid or negotiated basis. A contract entered into or

amended pursuant to subdivision (b) shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and shall be exempt from the review or approval of any division of the Department of General Services.

(d) Notwithstanding any other law, a Planning Facilitator may subcontract as necessary in the performance of its duties, subject to approval of the executive director of the state board or the executive director's designee.

(e) A Planning Facilitator that contracts with the department pursuant to subdivision (b) may, subject to approval of the executive director of the state board or the executive director's designee, convene one or more advisory groups to obtain additional input from potential end users of the Data System and other interested stakeholders and to inform the Planning Facilitator's work in fulfilling its responsibilities pursuant to subdivision (b).

10856. (a) A Planning Facilitator that contracts with the department pursuant to subdivision (b) of Section 10855 shall report to the Department of Finance **and the Legislature** by March 1, 2020, on the proposed structure of the Data System.

(b) Notwithstanding subdivision (a), the executive director of the state board or the executive director's designee may submit a request to the Director of Finance **and the Chair of the Joint Legislative Budget Committee** to extend the March 1, 2020, reporting deadline described in subdivision (a). A request submitted pursuant to this subdivision shall be submitted no later than February 1, 2020, and shall specify the date by which the report will be submitted and the circumstances necessitating additional time to complete the report.

(c) The report shall summarize the Workgroup's recommendations for developing the Data System including, but not limited to, all of the following:

(1) The entity charged with managing the Data System.

(2) The architecture of the Data System necessary to accomplish the purposes described in Section 10852.

(3) How access to data will be controlled and authorized.

(4) The means of storing any data or metrics separately from Partner Entities' individual databases, if applicable.

(5) A means of developing common data definitions and identifiers.

(6) The highest priority data elements necessary to include in the Data System.

(7) Additional data elements necessary for Partner Entities to collect for future linkage to the Data System.

(8) Specific recommendations for addressing security and data privacy considerations, including compliance with existing state and federal data privacy and use laws, and standard elements that will be included in agreements necessary to share data among Partner Entities.

(9) Any specific changes to state law that may be necessary for implementation.

(d) For purposes of this section, the Workgroup shall not be required to reach a consensus as a condition of having a specified recommendation included in the report.

(e) The report submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

10857. (a) A Planning Facilitator that contracts with the department pursuant to subdivision (b) of Section 10855 shall report to the Department of Finance **and the Legislature** by September 1, 2020, with recommendations for expanding Data System functionality.

(b) Notwithstanding subdivision (a), the executive director of the state board or the executive director's designee may submit a request to the Director of Finance **and the Chair of the Joint Legislative Budget Committee** to extend the September 1, 2020, reporting deadline described in subdivision (a). A request submitted pursuant to this subdivision shall be submitted no later than August 1, 2020, and shall specify the date by which the report will be submitted and the circumstances necessitating additional time to complete the report.

(c) The report shall summarize the Workgroup's recommendations for expanded and enhanced Data System functionality including, but not limited to, all of the following:

- (1) Users of the Data System, including users authorized to enter data, if applicable, and users authorized to access data.
- (2) Steps to be taken to increase data quality from each component of the education system and participating entity.
- (3) Specific recommendations for addressing security and data privacy considerations, including compliance with existing state and federal data privacy and use laws, standard elements that will be included in agreements necessary to share data between Partner Entities, and a proposed approach for responding to requests from researchers for access to data files that include personally identifiable student data or other data elements subject to state and federal data privacy and use laws.
- (4) Support for the development of connections between data elements that reflect students' college and career preparedness.
- (5) Recommendations for future expansion of the Data System to incorporate workforce, financial aid, and health and human services data.
- (6) Recommendations for means by which childcare providers, segments of public higher education, private colleges and universities, state labor and workforce development agencies, and departments administering social services programs can link their data to facilitate matching with educational data records within the Data System.
- (7) An implementation timeline, including key project milestones and appropriate phasing and sequencing for functionality expansions and enhancements.
- (8) Any specific changes to state law that may be necessary for implementation.
- (9) The estimated fiscal impact of developing identified enhancements and expansions to Data System functionality, with particular consideration given to all of the following:
 - (A) Estimated implementation and ongoing management costs.
 - (B) Estimated downstream costs for local educational agencies, segments of higher education, and other participating entities to revise and update processes.
 - (C) Funding deadlines associated with key system components and project milestones.
 - (D) A prioritization of key components needed to best enhance and expand the database if available funding is insufficient to address all desirable elements.
- (d) For purposes of this section, the Workgroup shall not be required to arrive at a consensus as a condition of having a specified recommendation included in the report.

(e) The report submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

10858. (a) The Partner Entities shall, and the University of California is requested to, enter into memoranda of understanding for data sharing purposes, as necessary, for the implementation of this chapter.

(b) By December 1, 2019, the Office of the Chancellor of the California State University and the Office of the Chancellor of the California Community Colleges shall, and the University of California is requested to, develop a means of matching student data in their existing data systems with student data maintained by the department for each newly enrolled student who attended a local educational agency in California. To the extent feasible, the Office of the Chancellor of the California State University and the Office of the Chancellor of the California Community Colleges shall, and the University of California is requested to, develop a means of matching student data collected at the time of application for admission with student data maintained by the department for each student applicant who attended a local educational agency in California.

(c) (1) The Planning Facilitators shall ensure that the Office of the Chancellor of the California State University, the Office of the Chancellor of the California Community Colleges, and the

department are able to transfer data to, or otherwise share data to allow the creation and use of, the Data System no later than December 1, 2020.

(2) The University of California is requested to transfer data to, or otherwise share data to allow the creation and use of, the Data System no later than December 1, 2020.

10859. The sum of ten million dollars (\$10,000,000) is hereby appropriated from the General Fund in the 2019–20 fiscal year to the department on a one-time basis, for purposes of the following:

(a) Two million dollars (\$2,000,000) for the department to contract with Planning Facilitators pursuant to Section 10855.

(b) One million one hundred fifty thousand dollars (\$1,150,000) to be allocated as follows:

(1) Two hundred fifty thousand dollars (\$250,000) to be retained by the department for costs incurred for Workgroup and planning activities, and to develop a means of matching student data in its existing data systems pursuant to Section 10858.

(2) Nine hundred thousand dollars (\$900,000) for the department to allocate one hundred thousand dollars (\$100,000) to each of the entities identified in paragraph (1) and paragraphs (3) to (10), inclusive, of subdivision (a) of Section 10854 for costs incurred for Workgroup and planning activities.

(c) One hundred thousand dollars (\$100,000) for the department to allocate fifty thousand dollars (\$50,000) to the Office of the Chancellor of the California State University and fifty thousand dollars (\$50,000) to the Office of the Chancellor of the California Community Colleges for costs incurred to develop a means of matching student data in their existing data systems with student data maintained by the department.

(d) Fifty thousand dollars (\$50,000) for the department to allocate to the University of California for costs incurred to develop a means of matching student data in its existing data systems with student data maintained by the department, contingent upon the University of California's agreement to expend the funds for this purpose. If the University of California does not agree to expend the funds for this purpose, the department may expend the funds for expansion and enhancements to the Data System, as described in subdivision (e).

(e) Six million seven hundred thousand dollars (\$6,700,000) for expansion and enhancements to the Data System, contingent upon advance approval of an implementation plan by the Department of Finance.

(f) Notwithstanding subdivisions (c) and (d), upon recommendation by the executive director of the state board or the executive director's designee, the department shall allocate additional moneys from the moneys described in subdivision (e) to the Office of the Chancellor of the California State University, the Office of the Chancellor of the California Community Colleges, or the University of California for initial implementation activities required pursuant to subdivisions (b) and (c) of Section 10858.

SEC. 2. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

Postretirement Limitation Exemption for Districts Subject to Emergency Apportionments

Section 24214 of the Education Code is amended to read:

(New for May Revision)

24214. (a) A member retired for service under this part may perform retired member activities, but the member shall not make contributions to the retirement fund or accrue service credit based on compensation earned from that service. The employer shall maintain accurate records of the earnings of the retired member and report those earnings monthly to the system and retired member as described in Section 22461.

- (b) If a member is retired for service under this part, the annualized rate of pay for retired member activities performed by that member shall not be less than the minimum, nor exceed the maximum, paid by the employer to other employees performing comparable duties.
- (c) A member retired for service under this part shall not be required to reinstate for performing retired member activities.
- (d) A member retired for service under this part may earn compensation for performing retired member activities in any one school year up to the limitation specified in subdivision (f) without a reduction in ~~his or her~~ the member's retirement allowance.
- (e) (1) The postretirement compensation limitation provisions ~~set forth~~ in this section ~~are not applicable~~ do not apply to compensation earned for the performance of retired member activities that are not wholly or in part supported by state, local, or federal funds.
- (2) The postretirement compensation limitation provisions in this section do not apply to a member retired for service under this part who is appointed to a vacant administrative position by the administrator of a school district subject to an emergency apportionment, as provided in Section 41326.
- (f) (1) The limitation that shall apply to the compensation paid in cash to the retired member for performance of retired member activities, excluding reimbursements paid by an employer for expenses incurred by the member in which payment of the expenses by the member is substantiated, shall, in any one school year, be an amount calculated by the system each July 1 equal to one-half of the median final compensation of all members who retired for service during the fiscal year ending in the previous calendar year.
- (2) For written agreements pertaining to the performance of retired member activities entered into, extended, renewed, or amended on or after January 1, 2014, the limitation in paragraph (1) shall also apply to payments made for the performance of retired member activities, including, but not limited to, those for participation in a deferred compensation plan; to purchase an annuity contract, tax-deferred retirement plan, or insurance program; and for contributions to a plan that meets the requirements of Section 125, 401(a), 401(k), 403(b), 457(b), or 457(f) of Title 26 of the United States Code when the cost is covered by an employer.
- (g) If a member retired for service under this part earns compensation for performing retired member activities, in excess of the limitation specified in subdivision (f), the member's retirement allowance shall be reduced by the amount of the excess compensation. The amount of the reduction in an individual month shall be no more than the monthly allowance payable in that month, and the total amount of the reduction shall not exceed the amount of the annual allowance payable under this part for the fiscal year in which the excess compensation was earned after any reduction made in accordance with subdivision (h) of Section 24214.5.
- (h) The language of this section derived from the amendments to the section of this number added by Chapter 394 of the Statutes of 1995, enacted during the 1995–96 Regular Session, is deemed to have become operative on July 1, 1996.
- (i) This section shall become operative on July 1, 2017.

SEC. 2. Section 41326 of the Education Code is amended to read: (New for May Revision)

41326. (a) Notwithstanding any other provision of this code, the acceptance by a school district of an apportionment made pursuant to Section 41320 that exceeds an amount equal to 200 percent of the amount of the reserve recommended for that school district under the standards and criteria adopted pursuant to Section 33127 constitutes the agreement by the school district to the conditions set forth in this article. Before applying for an emergency apportionment in the amount identified in this subdivision, the governing board of a school district shall discuss the need for that apportionment at a regular or special meeting of the governing board of the school district and, at that meeting, shall receive testimony regarding the apportionment from parents, exclusive representatives of employees of the school district, and other members of the

community. For purposes of this article, "qualifying school district" means a school district that accepts a loan as described in this subdivision.

(b) The county superintendent of schools shall assume all the legal rights, duties, and powers of the governing board of a qualifying school district. The county superintendent of schools, with concurrence from both the Superintendent and the president of the state board or ~~his or her~~ the president's designee, shall appoint an administrator from a pool of candidates identified and vetted by the County Office Fiscal Crisis and Management Assistance Team pursuant to subdivision (c) to exercise the authority described in this subdivision in accordance with all of the following:

(1) The administrator shall serve under the direction and supervision of the county superintendent of schools, with concurrence from both the Superintendent and the president of the state board or ~~his or her~~ the president's designee, until terminated by the county superintendent of schools, with concurrence from both the Superintendent and the president of the state board or ~~his or her~~ the president's designee, at their discretion.

(2) The administrator shall have recognized expertise in management and finance.

(3) To facilitate the appointment of the administrator and the employment of necessary staff, this section is exempt from the requirements of Article 6 (commencing with Section 999) of Chapter 6 of Division 4 of the Military and Veterans Code and Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code.

(4) Notwithstanding any other law, if an employee of the state or the office of the county superintendent of schools is appointed to act as administrator pursuant to this section, the administrator, if ~~his or her~~ the administrator is an employee of the state or the office of the county superintendent of schools, is an employee of the qualifying school district during the tenure of ~~his or her~~ the administrator's appointment, but shall remain in the same retirement system under the same plan that has been provided by ~~his or her~~ the administrator's employment with the state or the office of the county superintendent of schools. Upon the expiration or termination of the appointment, the employee shall have the right to return to ~~his or her~~ the employee's former position, or to a position at substantially the same level as that position, with the state or the office of the county superintendent of schools. The time served in the appointment shall be counted for all purposes as if the administrator had served that time in ~~his or her~~ the administrator's former position with the state or the office of the county superintendent of schools.

(5) Except for an individual appointed as an administrator by the county superintendent of schools who is described in and subject to paragraph (4), the administrator shall be a member of the State Teachers' Retirement System, if qualified, for the period of service as administrator, unless ~~his or her~~ the administrator elects in writing not to become a member. A person who is a member or retirant of the State Teachers' Retirement System at the time of appointment shall continue to be a member or retirant of the system for the duration of the appointment. If the administrator chooses to become a member or is already a member, the administrator shall be placed on the payroll of the qualifying school district for purposes of providing appropriate contributions to the system. The Superintendent may also require the administrator to be placed on the payroll of the qualifying school district for purposes of remuneration, other benefits, and payroll deductions.

(6) For purposes of workers' compensation benefits, the administrator is an employee of the qualifying school district, except that an administrator described in and subject to paragraph (4) may be deemed an employee of the state or office of the county superintendent of schools, as applicable.

(7) The qualifying school district shall add the administrator as a covered employee of the qualifying school district for all purposes of errors and omissions liability insurance policies.

- (8) The salary and benefits of the administrator shall be established by the county superintendent of schools, with concurrence from both the Superintendent and the president of the state board or ~~his or her~~ the president's designee, and paid by the qualifying school district.
- (9) The county superintendent of schools or the administrator may employ, on a short-term basis and at the expense of the qualifying school district, any staff necessary to assist the administrator, including, but not limited to, a certified public accountant.
- (10) The administrator may do all of the following:
- (A) Implement substantial changes in the fiscal policies and practices of the qualifying school district, including, if necessary, the filing of a petition under Chapter 9 (commencing with Section 901) of Title 11 of the United States Code for the adjustment of indebtedness.
 - (B) Revise the educational program of the qualifying school district to reflect realistic income projections and pupil performance relative to state standards.
 - (C) Encourage all members of the school community to accept a fair share of the burden of the fiscal recovery of the qualifying school district.
 - (D) Consult, for the purposes described in this subdivision, with the governing board of the qualifying school district, the exclusive representatives of the employees of the qualifying school district, parents, and the community.
 - (E) Consult with, and seek recommendations from, the Superintendent, the county superintendent of schools, and the County Office Fiscal Crisis and Management Assistance Team authorized pursuant to subdivision (c) of Section 42127.8 for purposes described in this article.
 - (F) Upon approval by the county superintendent of schools, enter into agreements on behalf of the qualifying school district and, subject to any contractual obligation of the qualifying school district, change existing school district rules, regulations, policies, or practices as necessary for the effective implementation of the recovery plans referred to in Sections 41327 and 41327.1.
 - (G) Request the advice and assistance of the California Collaborative for Educational Excellence.
 - (H) (i) Appoint retired members of the State Teachers' Retirement System or the State Public Employee's Retirement System to serve in otherwise vacant administrative positions, at the schoolsite principal level or above, in the school district if all of the following requirements are met:
 - (I) The appointment is approved by the county superintendent of schools, with concurrence from the Superintendent, the president of the state board or the president's designee, and the exclusive bargaining representative that represents that position.
 - (II) The retired member has the expertise necessary for the position and had previously served in an equivalent position at some point before retirement.
 - (III) The retired member serves under the direction and supervision of the administrator until terminated by the administrator. Such termination shall be approved by the county superintendent of schools, with concurrence from the Superintendent, the president of the state board or the president's designee, and the exclusive bargaining representative that represents that position.
 - (ii) A retired member of the State's Teachers' Retirement System or the State Public Employees' Retirement System appointed pursuant to this subparagraph is exempt from the postretirement limitation provisions of the State Teachers' Retirement System, as provided in Section 24214, and the State Public Employees' Retirement System, as provided in Section 21224 of the Government Code, respectively.
- (c) The County Office Fiscal Crisis and Management Assistance Team, when selecting the pool of candidates for administrator, shall consider candidates' expertise in management and finance, previous experience mitigating fiscal distress in school districts, and ability to engage meaningfully with the community that the school district serves, and shall provide an opportunity for public input on the selection of the pool of candidates for administrator.

(d) (1) Except as provided for in paragraph (2), ~~for~~ the period of time during which the county superintendent of schools exercises the authority described in subdivision (b), the governing board of the qualifying school district shall serve as an advisory body reporting to the administrator appointed pursuant to subdivision (b), and has no rights, duties, or powers, and is not entitled to any stipend, benefits, or other compensation from the qualifying school district.

(2) (A) After one complete fiscal year has elapsed following the qualifying school district's acceptance of an emergency apportionment, the governing board of the qualifying school district may conduct an annual advisory evaluation of an administrator for the duration of the administratorship.

(B) An advisory evaluation of an administrator shall focus on the administrator's effectiveness in leading the qualifying school district toward fiscal recovery and improved academic achievement. Advisory evaluation criteria shall be agreed upon by the governing board of the qualifying school district and the administrator before the advisory evaluation. The advisory evaluation shall include, but not be limited to, all of the following:

(i) Goals and standards consistent with Section 41327.1.

(ii) Commendations in the areas of the administrator's strengths and achievements.

(iii) Recommendations for improving the administrator's effectiveness in areas of concern and unsatisfactory performance.

(C) An advisory evaluation of an administrator conducted by the governing board of a qualifying school district shall be submitted to the Governor, the Legislature, pursuant to Section 9795 of the Government Code, the Superintendent, the president of the state board or ~~his or her~~ the president's designee, the county superintendent of schools, and the County Office Fiscal Crisis and Management Assistance Team.

(3) Upon the appointment of an administrator pursuant to this section, the district superintendent of schools is no longer an employee of the qualifying school district.

(4) A determination of the severance compensation for the district superintendent of schools shall be made pursuant to subdivision (k).

(e) Notwithstanding Section 35031 or any other law, the administrator, after according the affected employee reasonable notice and the opportunity for a hearing, may terminate the employment of a deputy, associate, assistant superintendent, or other school district level administrator who is employed by a qualifying school district under a contract of employment signed or renewed after January 1, 1992, if the employee fails to document, to the satisfaction of the administrator, that before the date of the acceptance of the emergency apportionment ~~his or her~~ the employee either advised the governing board of the qualifying school district, or ~~his or her~~ the employee's superior, that actions contemplated or taken by the governing board of the qualifying school district could result in the fiscal insolvency of the qualifying school district, or took other appropriate action to avert that fiscal insolvency.

(f) The authority of the county superintendent of schools, the Superintendent, the president of the state board or ~~his or her~~ the president's designee, and the administrator, under this section shall continue until all of the following occur:

(1) (A) After one complete fiscal year has elapsed following the qualifying school district's acceptance of an emergency apportionment as described in subdivision (a), the administrator determines, and so notifies the county superintendent of schools, the Superintendent, and the president of the state board or ~~his or her~~ the president's designee, that future compliance by the qualifying school district with the recovery plans approved pursuant to paragraph (2) is probable.

(B) The county superintendent of schools, with concurrence from both the Superintendent and the president of the state board or ~~his or her~~ the president's designee, may return power to the governing board of the qualifying school district for an area listed in subdivision (a) of Section 41327.1 if performance under the recovery plan for that area has been demonstrated to the satisfaction of the county superintendent of schools, with concurrence from the Superintendent.

(2) The county superintendent of schools, with concurrence from the Superintendent, has approved all of the recovery plans referred to in subdivision (a) of Section 41327 and the County Office Fiscal Crisis and Management Assistance Team completes the improvement plans specified in Section 41327.1 and has completed a minimum of two reports identifying the qualifying school district's progress in implementing the improvement plans.

(3) The administrator certifies that all necessary collective bargaining agreements have been negotiated and ratified, and that the agreements are consistent with the terms of the recovery plans.

(4) The qualifying school district has completed all reports required by the county superintendent of schools and the administrator.

(5) The county superintendent of schools, with concurrence from the Superintendent, determines that future compliance by the qualifying school district with the recovery plans approved pursuant to paragraph (2) is probable.

(g) When the conditions stated in subdivision (f) have been met, and at least 60 days after the county superintendent of schools has notified the Legislature, pursuant to Section 9795 of the Government Code, the Department of Finance, the Superintendent, the president of the state board or ~~his or her~~ the president's designee, and the Controller that ~~his or her~~ the county superintendent of schools expects the conditions prescribed pursuant to this section to be met, the governing board of the qualifying school district shall regain all of its legal rights, duties, and powers, except for the powers held by the trustee provided for pursuant to Article 2 (commencing with Section 41320). The parties specified in Section 41320.1 shall appoint a trustee under that section to monitor and review the operations of the qualifying school district until the conditions of subdivision ~~(b)~~ (c) of that section have been met.

(h) Notwithstanding subdivision (g), if the qualifying school district violates a provision of the recovery plans approved by the county superintendent of schools, with concurrence from the Superintendent, pursuant to this article within five years after the trustee appointed pursuant to Section 41320.1 is removed or after the emergency apportionment is repaid, whichever occurs later, or the improvement plans specified in Section 41327.1 during the period of the trustee's appointment, the county superintendent of schools, with concurrence from both the Superintendent and the president of the state board or ~~his or her~~ the president's designee, may reassume, either directly or through an administrator appointed in accordance with this section, all of the legal rights, duties, and powers of the governing board of the qualifying school district. The county superintendent of schools, with concurrence from both the Superintendent and the president of the state board or ~~his or her~~ the president's designee, shall return to the governing board of the qualifying school district all of its legal rights, duties, and powers reassumed under this subdivision when ~~his or her~~ the county superintendent of schools determines that future compliance with the approved recovery plans is probable, or after a period of one year, whichever occurs later.

(i) Article 2 (commencing with Section 41320) shall apply except as otherwise specified in this article.

(j) It is the intent of the Legislature that the legislative budget subcommittees annually conduct a review of each qualifying school district that includes an evaluation of the financial condition of the qualifying school district, the impact of the recovery plans upon the qualifying school district's educational program, and the efforts made by the state-appointed administrator to obtain input from the community and the governing board of the qualifying school district.

(k) (1) The district superintendent of schools is entitled to a due process hearing for purposes of determining final compensation. The final compensation of the district superintendent of schools shall be between zero and six times ~~his or her~~ the district superintendent's monthly salary. The outcome of the due process hearing shall be reported to the Superintendent and the public. The information provided to the public shall explain the rationale for the compensation.

(2) This subdivision applies only to a contract for employment negotiated on or after June 21, 2004.

(1) (1) When the county superintendent of schools assumes control over a qualifying school district pursuant to subdivision (b), the County Office Fiscal Crisis and Management Assistance Team shall review the fiscal oversight of the qualifying school district by the county superintendent of schools. The County Office Fiscal Crisis and Management Assistance Team may consult with other fiscal experts, including other county superintendents of schools and regional fiscal teams, in conducting this review.

(2) Within three months of the county superintendent of schools assuming control over a qualifying school district, the County Office Fiscal Crisis and Management Assistance Team shall report its findings to the Legislature, pursuant to Section 9795 of the Government Code, and shall provide a copy of that report to the Department of Finance, the Superintendent, and the president of the state board or ~~his or her~~ the president's designee. This report shall include findings as to fiscal oversight actions that were or were not taken and may include recommendations as to an appropriate legislative response to improve fiscal oversight.

(3) In the year following the completion of the report required in paragraph (2), the County Office Fiscal Crisis and Management Assistance Team shall begin annual reviews of the effectiveness of the oversight of the qualifying school district by the county office of education.

(4) If, after performing the duties described in paragraphs (1), (2), and (3), the County Office Fiscal Crisis and Management Assistance Team determines that the county superintendent of schools failed to carry out ~~his or her~~ the responsibilities for fiscal oversight as required by this code, the Superintendent, with the concurrence of the president of the state board or ~~his or her~~ the president's designee, may exercise the authority of the county superintendent of schools who has oversight responsibilities for a qualifying school district. The Superintendent and the president of the state board or ~~his or her~~ the president's designee shall further require the county superintendent of schools to demonstrate remediation of deficiencies identified in reports required in paragraphs (2) and (3). If the Superintendent finds, based on the reports required in paragraphs (2) and (3), that the county superintendent of schools failed to appropriately take into account particular types of indicators of financial distress, or failed to take appropriate remedial actions in the qualifying school district, the Superintendent shall further investigate whether the county superintendent of schools failed to take into account those indicators, or similarly failed to take appropriate actions in other school districts with negative or qualified certifications.

Non-waivable Local Control Funding Formula Sections

Section 33050 of the Education Code is amended to read:

(New for May Revision)

(a) The governing board of a school district or a county board of education, on a districtwide or countywide basis or on behalf of one or more of its schools or programs, after a public hearing on the matter, may request the state board to waive all or part of any section of this code or any regulation adopted by the state board that implements a provision of this code that may be waived, except:

(1) Chapter 12.5 (commencing with Section 2574) of Part 2 of Division 1 of Title 1.

~~(4)(2)~~ Article 1 (commencing with Section 15700) and Article 2 (commencing with Section 15780) of Chapter 4 of Part 10 of Division 1 of Title 1.

~~(2)(3)~~ Chapter 6 (commencing with Section 16000) of Part 10 of Division 1 of Title 1.

~~(3)(4)~~ Chapter 12 (commencing with Section 17000), Chapter 12.5 (commencing with Section 17070.10), and Chapter 14 (commencing with Section 17085) of Part 10 of Division 1 of Title 1.

~~(4)(5)~~ Part 13 (commencing with Section 22000), Part 13.5 (commencing with Section 25900), and Part 14 (commencing with Section 26000) of Division 1 of Title 1.

- ~~(5)~~(6) Section 35735.1.
- ~~(6)~~(7) Paragraph (8) of subdivision (a) of Section 37220.
- ~~(7)~~(8) The following provisions of Part 10.5 (commencing with Section 17210) of Division 1 of Title 1:
- (A) Chapter 1 (commencing with Section 17210).
- (B) Article 1 (commencing with Section 17251) to Article 6 (commencing with Section 17365), inclusive, of Chapter 3.
- (C) Sections 17416 to 17429, inclusive; Sections 17459 and 17462; subdivision (a) of Section 17464; and Sections 17582 to 17590, inclusive.
- ~~(8)~~(9) The following provisions of Part 24 (commencing with Section 41000) of Division 3:
- (A) Sections 41000 to 41360, inclusive.
- (B) Sections 41420 to 41423, inclusive.
- (C) Section 41544.
- ~~(C)~~(D) Sections 41600 to 41863, inclusive.
- ~~(D)~~(E) Sections 41930 to 42850, inclusive.
- ~~(9)~~(10) Sections 44504 and 44505.
- ~~(10)~~(11) Article 3 (commencing with Section 44930) of Chapter 4 of Part 25 of Division 3 and regulations in Title 5 of the California Code of Regulations adopted pursuant to Article 3 (commencing with Section 44930) of Chapter 4 of Part 25 of Division 3.
- ~~(11)~~(12) Part 26 (commencing with Section 46000) of Division 4.
- (13) The following provisions of Part 26.8 (commencing with Section 47600) of Division 4 of Title 2:
- (A) Subdivision (i) of Section 47632; Section 47635; Section 47652.
- (B) Sections 47660 to 47663, inclusive.
- (C) Sections 48310 and 48359.5.
- ~~(12)~~(14) Chapter 6 (commencing with Section 48900) and Chapter 6.5 (commencing with Section 49060) of Part 27 of Division 4.
- ~~(13)~~(15) Section 51513.
- ~~(14)~~(16) Section 52163.
- ~~(15)~~(17) The identification and assessment criteria relating to any categorical aid program, including Sections 52164.1 and 52164.6.
- ~~(16)~~(18) Sections 52165, 52166, and 52178.
- ~~(17)~~(19) Section 56364.1, except that this restriction shall not prohibit the state board from approving any waiver of Section 56364.2, relating to full inclusion.
- ~~(18)~~(20) Article 4 (commencing with Section 60640) of Chapter 5 of Part 33 of Division 4, relating to the California Assessment of Student Performance and Progress (CAASPP), and any other provisions of Chapter 5 (commencing with Section 60600) of Part 33 of Division 4 that establish requirements for the CAASPP.
- ~~(19)~~(21) Part 38 (commencing with Section 65000) of Division 4.
- (b) A request for a waiver submitted by the governing board of a school district or a county board of education pursuant to subdivision (a) shall include a written statement as to both of the following:
- (1) Whether the exclusive representative of employees, if any, as provided in Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, participated in the development of the waiver.
- (2) The exclusive representative's position regarding the waiver.
- (c) A request for a waiver submitted pursuant to subdivision (a) relating to a regional occupational center or program established pursuant to Article 1 (commencing with Section 52300) of Chapter 9 of Part 28 of Division 4, which is operated by a joint powers entity established pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the

Government Code, shall be submitted as a joint waiver request for each participating school district and shall meet both of the following conditions:

- (1) Each joint waiver request shall comply with all of the requirements of this article.
- (2) The submission of a joint waiver request shall be approved by a unanimous vote of the governing board of the joint powers agency.

Schoolsite Council Meeting Requirements

Section 35147 of the Education Code is amended to read: (New for May Revision)

(a) Except as specified in this section, any meeting of the councils or committees specified in subdivision (b) is exempt from the provisions of this article, the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Division 3 of Title 2 of the Government Code), and the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Division 2 of Title 5 of the Government Code).

(b) The councils and schoolsite advisory committees established pursuant to Sections 52063, 52069, 52176, and ~~52852~~ subdivision (b) of Section 54425, Sections 54444.2, and 62002.5 and ~~65000~~, and committees formed pursuant to Section 11503 are subject to this section.

(c) (1) Any meeting held by a council or committee specified in subdivision (b) shall be open to the public, and any member of the public shall be able to address the council or committee during the meeting on any item within the subject matter jurisdiction of the council or committee. Notice of the meeting shall be posted at the schoolsite, or other appropriate place accessible to the public, at least 72 hours before the time set for the meeting. The notice shall specify the date, time, and location of the meeting and contain an agenda describing each item of business to be discussed or acted upon. The council or committee may not take any action on any item of business unless that item appeared on the posted agenda or unless the council or committee members present, by unanimous vote, find that there is a need to take immediate action and that the need for action came to the attention of the council or committee subsequent to the posting of the agenda.

(2) Questions or brief statements made at a meeting by members of the council, committee, or public that do not have a significant effect on pupils or employees in the school or school district, or that can be resolved solely by the provision of information, need not be described on an agenda as items of business. If a council or committee violates the procedural meeting requirements of this section, upon demand of any person, the council or committee shall reconsider the item at its next meeting, after allowing for public input on the item.

(d) Any materials provided to a schoolsite council shall be made available to any member of the public who requests the materials pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

Section 48985 of the Education Code is amended to read: (New for May Revision)

(a) If 15 percent or more of the pupils enrolled in a public school that provides instruction in kindergarten or any of grades 1 to 12, inclusive, speak a single primary language other than English, as determined from the census data submitted to the department pursuant to Section 52164 in the preceding year, all notices, reports, statements, or records sent to the parent or guardian of any such pupil by the school or school district shall, in addition to being written in English, be written in the primary language, and may be responded to either in English or the primary language.

(b) Pursuant to subdivision ~~(b)~~ (e) of Section 64001, the department shall monitor adherence to the requirements of subdivision (a) as part of its regular monitoring and review of public schools and school districts, commonly known as the Categorical Program Monitoring process, and shall

determine the types of documents and languages a school district translates to a primary language other than English, the availability of these documents to parents or guardians who speak a primary language other than English, and the gaps in translations of these documents.

(c) Based on census data submitted to the department pursuant to Section 52164 in the preceding fiscal year, the department shall notify a school district, by August 1 of each year, of the schools within the school district, and the primary language other than English, for which the translation of documents is required pursuant to subdivision (a). The department shall make that notification using electronic methods.

(d) The department shall use existing resources to comply with subdivisions (b) and (c).

Section 65001 of the Education Code is amended to read:

(New for May Revision)

(a) Schools with a common site administration may operate a shared schoolsite council if the schoolsite has a pupil population of less than 300.

(b) Up to three schools with a combined pupil population of less than 1,000 may operate a shared schoolsite council if the schools have at least one of the following characteristics:

(1) A shared campus.

(2) Geographic proximity to one another with similar pupil populations.

(c) In the case of a shared council, each council shall be comprised of members as set forth in 65000(c).

~~In the case of a shared schoolsite council, each elementary school shall have representation as indicated in paragraph (1) of subdivision (c) of Section 65000, and each secondary school shall have representation as indicated in paragraph (2) of subdivision (c) of Section 65000.~~

(d) A school with a population of fewer than 300 pupils may operate a schoolsite council that has the representation of the following: one principal, one teacher selected by teachers, one other school personnel selected by other school personnel, and if elementary, 3 parents or community members selected by parents, and if secondary 2 parents or community members selected by parents and 1 student selected by students. ~~at least one member of each group identified in paragraph (1) of subdivision (c) of Section 65000 as long as it maintains parity with the representation of the groups referenced in paragraph (2) of subdivision (c) of Section 65000.~~ The local governing board or body of the local educational agency ~~has~~ must also obtained approval from its local bargaining unit, if applicable.

(e) The state board may grant a waiver of any provision of this part to a school district or county office of education. A school district governing board or county board of education, on behalf of a schoolsite council, may request that the state board grant a waiver of any provision of this part.

(f) The state board may adopt rules and regulations as necessary to implement the provisions of this part.

Settle-Up Payments

Section 41207.46 of the Education Code is amended to read:

41207.46. (a) (1) If the Superintendent and the Director of Finance jointly determine that, for the 2018-19 fiscal year, the state has applied moneys for the support of school districts and community college districts in an amount that exceeds the minimum amount required for the 2018-19 fiscal year pursuant to Section 8 of Article XVI of the California Constitution, the excess, up to ~~four hundred seventy-five million two hundred sixty-three thousand three hundred sixty-eight million three hundred fifty-five thousand~~ (\$475,263,000) ~~(\$368,355,000)~~ shall be deemed, as of June 30, 2019, a payment in satisfaction of the outstanding balance of the minimum funding obligation to school districts and community

period of the misassignment, the certificated employee who files a written notification with the county superintendent of schools shall be exempt from Section 45034. If it is determined that a misassignment has taken place, any performance evaluation of the certificated employee pursuant to Article 11 (commencing with Section 44660) of Chapter 3 in any misassigned subject shall be nullified.

(e) (1) The commission shall annually use the data provided by the department pursuant to subdivision (c) to produce a data file of vacant positions and certificated employee assignments that do not have a clear match of credential to assignment. The commission shall notify local educational agencies and verifying authorities of the opportunity to access the System and review the initial data file ~~and do any of the following:~~ of potential misassignments and vacant positions.

(2) Local educational agencies may do any of the following within 60 days of the commission's notification:

(A) Determine Access and review the initial data file in the System to determine if each certificated employee included in the data file is otherwise legally authorized for the assignment.

(B) Provide Submit documentation or additional assignment information to the commission and verifying authority ~~verifying~~ that the ~~certificated~~ employee is otherwise legally authorized for the assignment. This information may include the use of local assignment options outlined in any statute or regulation.

(C) Provide Submit documentation to the commission and verifying authority that a position identified in the data file as vacant was miscoded and that a legally authorized ~~certificated~~ employee was assigned to the position.

(D) Information submitted to the commission and verifying authority shall be submitted electronically through the System.

(2) If the commission does not receive documentation from the local educational agency verifying that the certificated employee is otherwise legally authorized for the assignment from the local educational agency within 60 days following the notification, the assignment shall be included in the commission's reporting for that year as a misassignment.

(3) If the commission does not receive documentation from the local educational agency within 60 days following the notification to correct a position incorrectly identified in the data file as vacant, the position shall be included in the commission's reporting for that year as a vacant position.

(3) Verifying authorities shall access the System to review the initial data file and any documentation or additional information submitted by the local educational agency for which they are a verifying authority and make a determination of potential misassignments and vacant positions within 90 days of the commission's notification.

(4) After the 90-day review period pursuant to paragraph (3) of this subdivision, the commission shall report the misassignments and vacant positions for that year.

(5) The commission shall have the authority to make a final determination for all potential misassignments.

(4)(6) For purposes of ~~paragraph (1), this subdivision,~~ "noncore" courses for purposes of charter schools, as provided in Section 47605, do not include courses in English, mathematics, science, and social science, and ~~a certificated an~~ employee is not otherwise ~~lawfully legally~~ authorized for an assignment to a course in one of these subjects unless the ~~certificated~~ employee holds a credential permit, waiver, or other legal authorization for that subject.

(f) Commencing in the 2019-20 school year, and each school year thereafter, following the 60-day verification period provided for local educational agencies to provide documentation to address misassignments and vacant positions identified in the initial data file described in subdivision (e), the commission shall make publicly available on its

internet website a report and data file of misassignments and vacant positions. The commission shall maintain each year's data for no less than five years.

(f) For the 2019–20 school year, the final data file generated by the System to identify misassignments and vacant positions shall be nonconsequential and shall be provided to the department, local educational agencies, and verifying authorities by the commission for informational purposes.

(g) Commencing with the 2020-21 school year, and each school year thereafter, following the 90-day review period provided for verifying authorities pursuant to subdivision (e), the commission shall:

(1) Make annual certificated employee misassignment and vacant position data generated by the System publicly available in a searchable format on its Internet website.

(2) Ensure that data for charter schools is distinguishable from data for traditional public schools when made publicly available in a searchable format.

(3) Maintain each year's data for no less than five years.

(4) Provide the department with annual data on the total number of misassignments at the schoolsite, school district, and county level.

(5) Ensure that the publicly available misassignment data reported from the System shall not include any personally identifiable information, including names, social security numbers, home addresses, telephone numbers, or email addresses of individual employees.

(g)(h) An applicant for an administrative services credential shall be required to demonstrate knowledge of existing credentialing laws, including knowledge of assignment authorizations.

(h)(i) The Legislature may hold public hearings, within a reasonable period after the public availability of the report and data provided by the commission pursuant to subdivision (f), on pupil access to teachers and related statutory provisions. The Legislature also may assign one or more of its standing committees, or a joint committee, to determine any of the following:

(1) The effectiveness of the monitoring performed pursuant to this section.

(2) The extent, if any, of vacant positions and misassignments.

(3) The need, if any, to assist local educational agencies to eliminate vacant positions and misassignments.

(i)(j) This section shall not relieve a local educational agency from compliance with state and federal law regarding teachers of English learners or be construed to alter the definition of "misassignment" in Section 33126.

21st Century California School Leadership Academy

Section 44690 is added to the Education Code to read:

(New for May Revision)

44690. (a) The Legislature finds and declares all of the following:

(1) Skilled school and district leaders are critical for building a strong and stable workforce, and for making the important shifts in practice envisioned by the Local Control Funding Formula and the Common Core State Standards.

(2) Strong leadership is a key predictor of student achievement, and highly skilled leadership is critical to successful improvement efforts for local educational agencies and schools.

(3) The roles of principals and other school leaders have evolved considerably since the California School Leadership Academy was first established more than three decades ago, with a broad range of knowledge, skills, and competencies needed to successfully support success for the diverse learners served in California public schools.

(4) Focused investments in leadership development for principals and other school leaders will benefit students and staff at California's public schools and, ultimately, improving outcomes for students.

college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2009-10 ~~and 2011-12~~ fiscal years.

(1) The amount appropriated pursuant to paragraph (1) shall be allocated to school districts and community colleges, as described in subdivision (a) of Section 41203.1, in accordance with the following:

~~(A) Up to four hundred thirty four million, eight hundred ninety two thousand dollars (\$434,892,000) Up to three hundred sixty-eight million three hundred fifty-five thousand dollars (\$368,355,000)~~ shall be deemed, as of June 30, 2019, a payment in satisfaction of the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2009–10 fiscal year.

~~(b) Up to forty million three hundred seventy one thousand dollars (\$40,371,000) shall be deemed, as of June 30, 2019, a payment in satisfaction of the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2011–12 fiscal year.~~

Section 41207.47 of the Education Code is amended to read:

41207.47. (a) (1) The sum of ~~two hundred eleven million three hundred twenty nine thousand dollars (\$211,329,000)~~ two hundred eighty-two million two hundred thirty-seven thousand dollars (\$282,237,000) is hereby appropriated in the 2019-20 fiscal year from the General Fund to the Controller for allocation to school districts and community colleges for the purposes of reducing the ~~2009-10~~, 2011-12, 2013-14, 2014-15, and 2016-17 fiscal years outstanding balance of the minimum funding obligation to school districts and community college districts pursuant to Section 8 of Article XVI of the California Constitution.

(2) The amount appropriated pursuant to paragraph (1) shall be allocated to school districts and community college districts, as described in subdivision (a) of Section 41203.1, in accordance with the following:

~~(A) One hundred seventy-seven million six hundred twelve thousand dollars (\$177,612,000) to the Controller for allocation by the Superintendent for special education capacity building, infrastructure, and supports pursuant section 56838.40.~~

~~(B) Thirty three million seven hundred seventeen thousand dollars (\$33,717,000) to the Controller for allocation by the Chancellor of the California Community Colleges to community college districts for the Community College Strong Workforce program pursuant to Part 54.5 (commencing with Section 88820) of division 7 of Title 3.~~

~~(A) Ninety-eight million four hundred fifty-four thousand dollars (\$98,454,000) to the Controller for allocation by the Superintendent pursuant to education code 42238.02.~~

~~(B) Thirty-four million seven hundred twenty-four thousand dollars (\$34,724,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community college districts for deferred maintenance, instructional materials, and other activities, as specified in Provision 2 of Item 6870-488 of the Budget Act of 2019.~~

~~(C) One hundred forty-nine million fifty-nine thousand dollars (\$149,059,000) to the Controller for allocation by the Superintendent pursuant to education code 42238.02 to offset state General Fund paid to San Francisco Unified School District and San Francisco County Office Education as a result of a miscalculation of offsetting property tax revenues in fiscal year 2016-17.~~

~~(b) For purposes of Section 8 of Article XVI of the California Constitution, of the amount appropriated pursuant to subdivision (a), thirty million five hundred thirty-seven thousand dollars (\$30,537,000) shall be applied to the outstanding balance of the~~

minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2009-10 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

(b) (c) For purposes of Section 8 of Article XVI of the California Constitution, of the amount appropriated pursuant to subdivision (a), ~~seven million two hundred forty-eight thousand dollars (\$7,248,000)~~ **forty-seven million six hundred nineteen thousand dollars (\$47,619,000)** shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2011-12 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

(c) For purposes of Section 8 of Article XVI of the California Constitution, of the amount appropriated pursuant subdivision (a), one hundred seventy-one million nine hundred sixty ninety-seven thousand dollars (\$171,937,000) shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2013-14 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

(d) For purposes of Section 8 of Article XVI of the California Constitution, of the amount appropriated pursuant to subdivision (a), thirty-one million five hundred eleven thousand dollars (\$31,511,000) shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2014-15 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

(f) For purposes of Section 8 of Article XVI of the California Constitution, of the amount appropriated pursuant to subdivision (a), six hundred thirty-three thousand dollars (\$633,000) shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2016-17 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

Teacher Assignment Monitoring

Section 44258.9 of the Education Code is amended to read:

44258.9. (a) (1) The Legislature finds and declares that continued monitoring of certificated employee assignments by ~~the commission to confirm county superintendents of schools will help ensure~~ that local educational agencies are in compliance with the requirements outlined in subdivision (g) of Section 35035, subdivision (l) of Section 47605, subdivision (l) of Section 47605.6, and subdivision (a) of Section 47605.8 **and** will ensure that the rate of ~~certificated employee teacher~~ misassignments remains low. **To the extent possible, and with the funds provided, for that purpose, each county superintendent of schools and chartering authority, as specified in this section, shall perform the duties specified in subdivision (e).**

(2) To the extent possible, and with funds provided for that purpose, the The commission and the department, beginning July 1, 2019, shall perform the duties specified in this section.

(3) Teacher assignment monitoring and all requirements in this section shall be executed consistent with the statewide system of support and the school accountability system

established by Article 4.5 of Chapter of 6.1 of the Education Code, and the state plan approved by the state board that is required for compliance with the federal Every Student Succeeds Act (Public Law 114-95).

(b) For purposes of this section, the following definitions apply:

(1) "Legally authorized" means assignments authorized by a local committee, types of assignments made by the governing board of a school district pursuant to Sections 44256, 44258.2, and 44263, and assignments made at charter schools pursuant to subdivision (I) of Section 47605 and subdivision (I) of Section 47605.6.

(2) "Local educational agency" means a school district, county office of education, or charter school.

(3) "Misassignment" means the placement of a ~~certificated~~ **an employee, which has the same meaning as "certificated person" as that term is defined in Section 44006,** in a teaching or services position at a local educational agency for which the ~~certificated~~ employee does not hold a legally recognized ~~certificate permit, waiver, certificate,~~ or credential, as defined in Section 44002, or the placement of a certificated ~~employee employee, which has the same meaning as "certificated person" as that term is defined in Section 44006,~~ in a teaching or services position that the certificated employee is not otherwise **legally** authorized by statute to hold.

(4) "Vacant position" means a position to which a single-designated **certificated** employee has not been assigned.

(5) "Verifying Authority" means:

(A) The county office of education for school districts in the county.

(B) The school district or county office of education for a charter school it authorizes.

(C) The commission for a school district or county office of education that operates within a city or county in which there is a single school district, including the counties of Alpine, Amador, Del Norte, Mariposa, Plumas, and Sierra, and the City and County of San Francisco, the statewide special schools, and a charter school authorized by the state board.

(6) "System" means the State Assignment Accountability System, an electronic data system, administered by the commission for monitoring teacher assignments and vacant teacher positions.

(c) The commission and the department shall enter into a data sharing agreement to provide the commission with certificated employee assignment data as necessary to annually identify misassignments and vacant positions at local educational agencies. The data sharing agreement shall also require the commission to make certificated employee credential, misassignment, and other relevant data available to the department to support reporting consistent with the state plan approved by the state board that is required for compliance with the federal Every Student Succeeds Act (Public Law 114-95) or any other federal law that effectively replaces that act.

(d) (1) The commission may engage in a variety of activities designed to inform school administrators, teachers, and personnel within the offices of county superintendents of schools of the regulations and statutes affecting the assignment of certificated employees. These activities may include, **but shall not necessarily be limited to,** the preparation of instructive brochures and the holding of regional workshops.

(2) A certificated employee who is required by an administrative superior to accept an assignment for which the certificated employee has no legal authorization, after exhausting existing local remedies, shall notify the county superintendent of schools in writing of the ~~illegal assignment.~~ **misassignment.** The county superintendent of schools, within 15 working days, shall advise the affected certificated employee concerning the legality of the certificated employee's assignment. There shall be no adverse action taken against a certificated employee who files a notification of misassignment with the county superintendent of schools. During the

(b) The 21st Century California School Leadership Academy is hereby established.

(c) (1) The State Department of Education and the California Collaborative for Educational Excellence shall establish a process, administered by the department, to organize and offer professional learning opportunities, and to select, subject to approval by the executive director of the state board, providers of high-quality professional learning for administrators and other school leaders to receive grants in a manner that ensures the availability of professional learning through the 21st Century California School Leadership Academy, free of charge, to local educational agencies that receive Title II funds on a statewide basis.

(2) In designing professional learning opportunities and in selecting grantees pursuant to this section, the State Department of Education and the California Collaborative for Educational Excellence shall ensure that professional learning provided through the 21st Century California School Leadership Academy includes all of the following:

(A) Training and coaching for principals and other school leaders in critical areas identified by the State Department of Education and the California Collaborative for Educational Excellence, in consultation with the Executive Director of the State Board of Education.

(B) Training mentors for novice principals and teachers.

(C) Training coaches to support leaders in high-need settings.

(D) Training for central office leaders, principals and other school leaders, including teacher leaders, involved in school improvement efforts.

(3) Professional learning opportunities may include, but are not necessarily limited to, coaching and training around supporting effective standards-aligned instruction and instruction that promotes critical thinking, inclusive practices, social-emotional learning, restorative practices and other alternative behavioral programs, implementing effective language acquisition programs for English learners, strategies for addressing performance gaps among student groups, leveraging wraparound services to supporting healthy development for students, civic engagement, building collegial environments, effectively engaging parents and guardians, and utilizing resources provided by the State Department of Education related to the California Assessment of Student Performance and Progress system, such as formative or interim assessments, to improve outcomes for students.

(4) In designing and offering professional learning opportunities and in selecting grantees pursuant to this section, the State Department of Education and California Collaborative for Educational Excellence shall ensure that professional learning is provided through the 21st Century California School Leadership Academy in a manner that is consistent with the statewide system of support pursuant to Article 4.5 (commencing with Section 52059.5) of Chapter 6.1 of Part 28 of Division 4 of Title 2 of the Education Code.

(d) Entities eligible to be selected shall be limited to local educational agencies, institutions of higher education, and nonprofit educational services providers.

(e) Priority for professional learning through this program may be given to school districts and county offices of education eligible to receive differentiated assistance pursuant to Sections 52071 and 52071.5 of the Education Code and schools identified for Comprehensive Support and Improvement under the Every Student Succeeds Act.

(f) (1) Grants shall be awarded for a term not to exceed three years.

(2) The State Department of Education and the California Collaborative for Educational Excellence shall ensure that the professional learning opportunities offered or funded through the 21st Century California Leadership Academy are evaluated for their effectiveness. The process for selecting grantees shall ensure that grantees identify metrics to measure the effectiveness of the professional learning provided and for which the grantees will be held accountable in performing the duties specified in this section.

(3) At the conclusion of each grant term, the State Department of Education and the California Collaborative for Educational Excellence may renew the selection of the grantees or reopen the selection process in a manner consistent with subdivision (c).

(4) Before renewing the selection of any grantee, the State Department of Education and the California Collaborative for Educational Excellence shall evaluate the grantee's performance relative to the metrics identified pursuant to paragraph (2) and the grantee's success in fulfilling the purposes of this section.

(g) Entities receiving funds shall provide program information to, and as needed by, the State Department of Education and the California Collaborative for Educational Excellence as a condition of receiving these funds.

Disaster Relief Provisions for Wildfire affected Districts

Section 46392 of the Education Code is amended to read:

(New for May Revision)

(a) If the average daily attendance of a school district, county office of education, or charter school during a fiscal year has been materially decreased during a fiscal year because of any of the following, the fact shall be established to the satisfaction of the Superintendent by affidavits of the members of the governing board or body of the school district, county office of education, or charter school and the county superintendent of schools:

(1) Fire.

(2) Flood.

(3) Impassable roads.

(4) Epidemic.

(5) Earthquake.

(6) The imminence of a major safety hazard as determined by the local law enforcement agency.

(7) A strike involving transportation services to pupils provided by a nonschool entity.

(8) An order provided for in Section 41422.

(b) (1) In the event a state of emergency is declared by the Governor in a county, a decrease in average daily attendance in the county below the approximate total average daily attendance that would have been credited to a school district, county office of education, or charter school had the state of emergency not occurred shall be deemed material. The Superintendent shall determine the length of the period during which average daily attendance has been reduced by the state of emergency.

(2) The period determined by the Superintendent shall not extend into the next fiscal year following the declaration of the state of emergency by the Governor, except upon a showing by a school district, county office of education, or charter school, to the satisfaction of the Superintendent, that extending the period into the next fiscal year is essential to alleviate continued reductions in average daily attendance attributable to the state of emergency.

(3) Notwithstanding any other law, the Superintendent shall extend through the 2018–19 fiscal year the period during which it is essential to alleviate continued reductions in average daily attendance attributable to a state of emergency declared by the Governor in October 2017, for a school district where no less than 5 percent of the residences within the school district or school district facilities were destroyed by the qualifying emergency.

(c) The average daily attendance of the school district, county office of education, or charter school for the fiscal year shall be estimated by the Superintendent in a manner that credits to the school district, county office of education, or charter school for determining the apportionments to be made to the school district, county office of education, or charter school from the State School Fund approximately the total average daily attendance that would have been credited to the school district, county office of education, or charter school had the emergency not occurred or had the order not been issued.

(d) This section applies to any average daily attendance that occurs during any part of a school year.

(e) Notwithstanding any other law, for a school district or charter school physically located within a school district, where no less than 5 percent of the residences within the school district, or the school district's facilities, were destroyed as a result of the state of emergency declared by the Governor in November of 2018, the following shall apply:

(1) For school districts, in fiscal year 2020-21, the Superintendent shall calculate the difference between the school district's certified second principal apportionment local control funding formula entitlement pursuant to 42238.02 in the current fiscal year and the prior fiscal year and, if there is a difference, allocate the amount of that difference to the school district.

(2) For charter schools, in fiscal years 2019-20 and 2020-21, provided the charter school is serving at least 50 percent of the average daily attendance being served prior to the emergency, the Superintendent shall calculate the difference between the charter school's certified second principal apportionment local control funding formula entitlement pursuant to 42238.02 in the current year and each respective prior year and, if there is a difference, allocate the amount of that difference to the charter school.

(3) For county offices of education funded pursuant to Section 2575(g)(1) that have school districts or charter schools affected pursuant to this section and that have at least a ten percent decrease in average daily attendance in the current year, in fiscal years 2019-20 and 2020-21, the Superintendent shall calculate the difference between the county office's alternative education grant entitlement certified at the annual principal apportionment pursuant to 2574 in the current year and each respective prior year and, if there is a difference, allocate the amount of that difference to the county office of education.

(4) A school district may consider transferring funding received pursuant to (1) to the county office of education for the portion of the funds that represents students resident students served by the county office of education whom are funded through the school district's local control funding formula pursuant to Section 2576.

(5) The allocations shall be made by the Superintendent as soon as practicable after the second principal apportionment and shall be final. The Superintendent may provide a preliminary allocation of up to 50 percent no sooner than the first principal apportionment.

(5) These funds shall be continuously appropriated from the State General Fund and for purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (e) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the fiscal year in which they are appropriated, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code.

Charter School Enrollment

Section 47605 of the Education Code is amended to read:

47605. (a) (1) Except as set forth in paragraph (2), a petition for the establishment of a charter school within a school district may be circulated by one or more persons seeking to establish the charter school. A petition for the establishment of a charter school shall identify a single charter school that will operate within the geographic boundaries of that school district. A charter school may propose to operate at multiple sites within the school district if each location is identified in the charter school petition. The petition may be submitted to the governing board of the school district for review after either of the following conditions is met:

(A) The petition is signed by a number of parents or legal guardians of pupils that is equivalent to at least one-half of the number of pupils that the charter school estimates will enroll in the charter school for its first year of operation.

(B) The petition is signed by a number of teachers that is equivalent to at least one-half of the number of teachers that the charter school estimates will be employed at the charter school during its first year of operation.

(2) A petition that proposes to convert an existing public school to a charter school that would not be eligible for a loan pursuant to subdivision (c) of Section 41365 may be circulated by one or more persons seeking to establish the charter school. The petition may be submitted to the governing board of the school district for review after the petition is signed by not less than 50 percent of the permanent status teachers currently employed at the public school to be converted.

(3) A petition shall include a prominent statement that a signature on the petition means that the parent or legal guardian is meaningfully interested in having ~~his or her~~ their child or ward attend the charter school, or in the case of a teacher's signature, means that the teacher is meaningfully interested in teaching at the charter school. The proposed charter shall be attached to the petition.

(4) After receiving approval of its petition, a charter school that proposes to establish operations at one or more additional sites shall request a material revision to its charter and shall notify the authority that granted its charter of those additional locations. The authority that granted its charter shall consider whether to approve those additional locations at an open, public meeting. If the additional locations are approved, there shall be a material revision to the charter school's charter.

(5) A charter school that is unable to locate within the jurisdiction of the chartering school district may establish one site outside the boundaries of the school district, but within the county in which that school district is located, if the school district within the jurisdiction of which the charter school proposes to operate is notified in advance of the charter petition approval, the county superintendent of schools and the Superintendent are notified of the location of the charter school before it commences operations, and either of the following circumstances exists:

(A) The school has attempted to locate a single site or facility to house the entire program, but a site or facility is unavailable in the area in which the school chooses to locate.

(B) The site is needed for temporary use during a construction or expansion project.

(6) Commencing January 1, 2003, a petition to establish a charter school shall not be approved to serve pupils in a grade level that is not served by the school district of the governing board considering the petition, unless the petition proposes to serve pupils in all of the grade levels served by that school district.

(b) No later than 30 days after receiving a petition, in accordance with subdivision (a), the governing board of the school district shall hold a public hearing on the provisions of the charter, at which time the governing board of the school district shall consider the level of support for the petition by teachers employed by the school district, other employees of the school district, and parents. Following review of the petition and the public hearing, the governing board of the school district shall either grant or deny the charter within 60 days of receipt of the petition, provided, however, that the date may be extended by an additional 30 days if both parties agree to the extension. In reviewing petitions for the establishment of charter schools pursuant to this section, the chartering authority shall be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that the establishment of charter schools should be encouraged. The governing board of the school district shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice. The governing board of the school district shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:

(1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.

- (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.
- (3) The petition does not contain the number of signatures required by subdivision (a).
- (4) The petition does not contain an affirmation of each of the conditions described in subdivision (d).
- (5) The petition does not contain reasonably comprehensive descriptions of all of the following:
- (A) (i) The educational program of the charter school, designed, among other things, to identify those whom the charter school is attempting to educate, what it means to be an “educated person” in the 21st century, and how learning best occurs. The goals identified in that program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.
- (ii) The annual goals for the charter school for all pupils and for each subgroup of pupils identified pursuant to Section 52052, to be achieved in the state priorities, as described in paragraphs (2) to (8), inclusive, of subdivision (d) of Section 52060, that apply for the grade levels ~~served, or the nature of the program operated,~~ served by the charter school, and specific annual actions to achieve those goals. A charter petition may identify additional school priorities, the goals for the school priorities, and the specific annual actions to achieve those goals.
- (iii) If the proposed charter school will serve high school pupils, the manner in which the charter school will inform parents about the transferability of courses to other public high schools and the eligibility of courses to meet college entrance requirements. Courses offered by the charter school that are accredited by the Western Association of Schools and Colleges may be considered transferable and courses approved by the University of California or the California State University as creditable under the “A to G” admissions criteria may be considered to meet college entrance requirements.
- (B) The measurable pupil outcomes identified for use by the charter school. “Pupil outcomes,” for purposes of this part, means the extent to which all pupils of the charter school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the charter school’s educational program. Pupil outcomes shall include outcomes that address increases in pupil academic achievement both schoolwide and for all groups of pupils served by the charter school, as that term is defined in subparagraph (B) of paragraph (3) of subdivision (a) of Section 47607. The pupil outcomes shall align with the state priorities, as described in paragraphs (2) to (8), inclusive, of subdivision (d) of Section 52060, that apply for the grade levels ~~served, or the nature of the program operated,~~ served by the charter school.
- (C) The method by which pupil progress in meeting those pupil outcomes is to be measured. To the extent practicable, the method for measuring pupil outcomes for state priorities shall be consistent with the way information is reported on a school accountability report card.
- (D) The governance structure of the charter school, including, but not limited to, the process to be followed by the charter school to ensure parental involvement.
- (E) The qualifications to be met by individuals to be employed by the charter school.
- (F) The procedures that the charter school will follow to ensure the health and safety of pupils and staff. These procedures shall require all of the following:
- (i) That each employee of the charter school furnish the charter school with a criminal record summary as described in Section 44237.
- (ii) The development of a school safety plan, which shall include the safety topics listed in subparagraphs (A) to (H), inclusive, of paragraph (2) of subdivision (a) of Section 32282 and procedures for conducting tactical responses to criminal incidents.
- (iii) That the school safety plan be reviewed and updated by March 1 of every year by the charter school.
- (G) The means by which the charter school will achieve a racial and ethnic balance among its pupils that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted.

- (H) Admission policies and procedures, consistent with subdivision (d).
- (I) The manner in which annual, independent financial audits shall be conducted, which shall employ generally accepted accounting principles, and the manner in which audit exceptions and deficiencies shall be resolved to the satisfaction of the chartering authority.
- (J) The procedures by which pupils can be suspended or expelled from the charter school for disciplinary reasons or otherwise involuntarily removed from the charter school for any reason. These procedures, at a minimum, shall include an explanation of how the charter school will comply with federal and state constitutional procedural and substantive due process requirements that is consistent with all of the following:
- (i) For suspensions of fewer than 10 days, provide oral or written notice of the charges against the pupil and, if the pupil denies the charges, an explanation of the evidence that supports the charges and an opportunity for the pupil to present ~~his or her~~ the pupil's side of the story.
 - (ii) For suspensions of 10 days or more and all other expulsions for disciplinary reasons, both of the following:
 - (I) Provide timely, written notice of the charges against the pupil and an explanation of the pupil's basic rights.
 - (II) Provide a hearing adjudicated by a neutral officer within a reasonable number of days at which the pupil has a fair opportunity to present testimony, evidence, and witnesses and confront and cross-examine adverse witnesses, and at which the pupil has the right to bring legal counsel or an advocate.
 - (iii) Contain a clear statement that no pupil shall be involuntarily removed by the charter school for any reason unless the parent or guardian of the pupil has been provided written notice of intent to remove the pupil no less than five schooldays before the effective date of the action. The written notice shall be in the native language of the pupil or the pupil's parent or guardian or, if the pupil is a foster child or youth or a homeless child or youth, the pupil's educational rights holder, and shall inform ~~him or her~~ the pupil, the pupil's parent or guardian, or the pupil's educational rights holder of the right to initiate the procedures specified in clause (ii) before the effective date of the action. If the pupil's parent, guardian, or educational rights holder initiates the procedures specified in clause (ii), the pupil shall remain enrolled and shall not be removed until the charter school issues a final decision. For purposes of this clause, "involuntarily removed" includes disenrolled, dismissed, transferred, or terminated, but does not include suspensions specified in clauses (i) and (ii).
- (K) The manner by which staff members of the charter schools will be covered by the State Teachers' Retirement System, the Public Employees' Retirement System, or federal social security.
- (L) The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools.
- (M) The rights of an employee of the school district upon leaving the employment of the school district to work in a charter school, and of any rights of return to the school district after employment at a charter school.
- (N) The procedures to be followed by the charter school and the entity granting the charter to resolve disputes relating to provisions of the charter.
- (O) The procedures to be used if the charter school closes. The procedures shall ensure a final audit of the charter school to determine the disposition of all assets and liabilities of the charter school, including plans for disposing of any net assets and for the maintenance and transfer of pupil records.
- (6) The petition does not contain a declaration of whether or not the charter school shall be deemed the exclusive public employer of the employees of the charter school for purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code.

(c) (1) Charter schools shall meet all statewide standards and conduct the pupil assessments required pursuant to Section 60605 and any other statewide standards authorized in statute or pupil assessments applicable to pupils in noncharter public schools.

(2) Charter schools shall, on a regular basis, consult with their parents, legal guardians, and teachers regarding the charter school's educational programs.

(d) (1) In addition to any other requirement imposed under this part, a charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, shall not charge tuition, and shall not discriminate against a pupil on the basis of the characteristics listed in Section 220. Except as provided in paragraph (2), admission to a charter school shall not be determined according to the place of residence of the pupil, or of ~~his or her~~ the pupil's parent or legal guardian, within this state, except that an existing public school converting partially or entirely to a charter school under this part shall adopt and maintain a policy giving admission preference to pupils who reside within the former attendance area of that public school.

(2) (A) A charter school shall admit all pupils who wish to attend the charter school.

(B) If the number of pupils who wish to attend the charter school exceeds the charter school's capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the school district except as provided for in Section 47614.5. Preferences, including, but not limited to, siblings of pupils admitted or attending the charter school and children of the charter school's teachers, staff, and founders identified in the initial charter, may also be permitted by the chartering authority on an individual charter school basis. Priority order for any preference shall be determined in the charter petition in accordance with all of the following:

(i) Each type of preference shall be approved by the chartering authority at a public hearing.

(ii) Preferences shall be consistent with federal law, the California Constitution, and Section 200.

(iii) Preferences shall not result in limiting enrollment access for pupils with disabilities, academically low-achieving pupils, English learners, neglected or delinquent pupils, homeless pupils, or pupils who are economically disadvantaged, as determined by eligibility for any free or reduced-price meal program, foster youth, or pupils based on nationality, race, ethnicity, or sexual orientation.

(iv) In accordance with Section 49011, preferences shall not require mandatory parental volunteer hours as a criterion for admission or continued enrollment.

(C) In the event of a drawing, the chartering authority shall make reasonable efforts to accommodate the growth of the charter school and shall not take any action to impede the charter school from expanding enrollment to meet pupil demand.

(3) If a pupil is expelled or leaves the charter school without graduating or completing the school year for any reason, the charter school shall notify the superintendent of the school district of the pupil's last known address within 30 days, and shall, upon request, provide that school district with a copy of the cumulative record of the pupil, including report cards or a transcript of grades, and health information. If the pupil is subsequently expelled or leaves the school district without graduating or completing the school year for any reason, the school district shall provide this information to the charter school within 30 days if the charter school demonstrates that the pupil had been enrolled in the charter school. This paragraph applies only to pupils subject to compulsory full-time education pursuant to Section 48200.

(e) The governing board of a school district shall not require an employee of the school district to be employed in a charter school.

(4) (A) A charter school shall not discourage any pupil from enrolling or seeking to enroll in the charter school for any reason, including, but not limited to, academic performance

of the pupil or membership in the student groups described in clause (iii) of subparagraph (B) of paragraph (2).

(B) A charter school shall not request a pupil's records or require a parent, guardian, or pupil to submit their records to the charter school prior to enrollment.

(C) A charter school shall not encourage any pupil currently attending the charter school to disenroll from the charter school or transfer to another school for any reason, including, but not limited to, academic performance of the pupil or membership in the student groups described in clause (iii) of subparagraph (B) of paragraph (2). This subparagraph shall not apply to actions taken by a charter school pursuant to the procedures described in subparagraph (J) of paragraph (5) of subdivision (b).

(D) The department shall develop a notice of the requirements of this subdivision. This notice shall be posted on the charter school's website. A charter school shall provide a parent or guardian, or a pupil if the pupil is over eighteen years of age, a copy of this notice at all of the following times:

(i) When a parent, guardian, or pupil inquires about enrollment.

(ii) Prior to the conducting of an enrollment lottery.

(iii) Prior to disenrollment of a pupil.

(E) (i) Any person who suspects that a charter school has violated this subdivision may file a complaint with the school's authorizer.

(ii) The department shall develop a template for complaints pursuant to subparagraph (1).

(f) The governing board of a school district shall not require a pupil enrolled in the school district to attend a charter school.

(g) The governing board of a school district shall require that the petitioner or petitioners provide information regarding the proposed operation and potential effects of the charter school, including, but not limited to, the facilities to be used by the charter school, the manner in which administrative services of the charter school are to be provided, and potential civil liability effects, if any, upon the charter school and upon the school district. The description of the facilities to be used by the charter school shall specify where the charter school intends to locate. The petitioner or petitioners also shall be required to provide financial statements that include a proposed first-year operational budget, including startup costs, and cashflow and financial projections for the first three years of operation.

(h) In reviewing petitions for the establishment of charter schools within the school district, the governing board of the school district shall give preference to petitions that demonstrate the capability to provide comprehensive learning experiences to pupils identified by the petitioner or petitioners as academically low achieving pursuant to the standards established by the department under Section 54032, as that section read before July 19, 2006.

(i) Upon the approval of the petition by the governing board of the school district, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition, to the applicable county superintendent of schools, the department, and the state board.

(j) (1) If the governing board of a school district denies a petition, the petitioner may elect to submit the petition for the establishment of a charter school to the county board of education. The county board of education shall review the petition pursuant to subdivision (b). If the petitioner elects to submit a petition for establishment of a charter school to the county board of education and the county board of education denies the petition, the petitioner may file a petition for establishment of a charter school with the state board, and the state board may approve the petition, in accordance with subdivision (b). A charter school that receives approval of its petition from a county board of education or from the state board on appeal shall be subject to the same requirements concerning geographic location to which it would otherwise be subject if it received approval from the entity to which it originally submitted its petition. A charter petition that is submitted to either a county board of education or to the state board shall meet all

otherwise applicable petition requirements, including the identification of the proposed site or sites where the charter school will operate.

(2) In assuming its role as a chartering ~~agency~~, authority, the state board shall develop criteria to be used for the review and approval of charter school petitions presented to the state board. The criteria shall address all elements required for charter approval, as identified in subdivision (b), and shall define "reasonably comprehensive," as used in paragraph (5) of subdivision (b), in a way that is consistent with the intent of this part. Upon satisfactory completion of the criteria, the state board shall adopt the criteria on or before June 30, 2001.

(3) A charter school for which a charter is granted by either the county board of education or the state board based on an appeal pursuant to this subdivision shall qualify fully as a charter school for all funding and other purposes of this part.

(4) If either the county board of education or the state board fails to act on a petition within 120 days of receipt, the decision of the governing board of the school district to deny the petition shall be subject to judicial review.

(5) The state board shall adopt regulations implementing this subdivision.

(6) Upon the approval of the petition by the county board of education, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition, to the department and the state board.

(k) (1) The state board may, by mutual agreement, designate its supervisory and oversight responsibilities for a charter school approved by the state board to any local educational agency in the county in which the charter school is located or to the governing board of the school district that first denied the petition.

(2) The designated local educational agency shall have all monitoring and supervising authority of a chartering ~~agency~~, authority, including, but not limited to, powers and duties set forth in Section 47607, except the power of revocation, which shall remain with the state board.

(3) A charter school that is granted its charter through an appeal to the state board and elects to seek renewal of its charter shall, before expiration of the charter, submit its petition for renewal to the governing board of the school district that initially denied the charter. If the governing board of the school district denies the charter school's petition for renewal, the charter school may petition the state board for renewal of its charter.

(l) Teachers in charter schools shall hold a Commission on Teacher Credentialing certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold. These documents shall be maintained on file at the charter school and are subject to periodic inspection by the chartering authority. It is the intent of the Legislature that charter schools be given flexibility with regard to noncore, noncollege preparatory courses.

(m) A charter school shall transmit a copy of its annual, independent financial audit report for the preceding fiscal year, as described in subparagraph (l) of paragraph (5) of subdivision (b), to its chartering ~~entity~~, authority, the Controller, the county superintendent of schools of the county in which the charter school is sited, unless the county board of education of the county in which the charter school is sited is the chartering ~~entity~~, authority, and the department by December 15 of each year. This subdivision does not apply if the audit of the charter school is encompassed in the audit of the chartering ~~entity~~ authority pursuant to Section 41020.

(n) A charter school may encourage parental involvement, but shall notify the parents and guardians of applicant pupils and currently enrolled pupils that parental involvement is not a requirement for acceptance to, or continued enrollment at, the charter school.

Charter Payments In-Lieu of Property Taxes

Section 47632 of the Education Code is amended to read:

For purposes of this chapter, the following terms shall be defined as follows:

- (a) "General-purpose entitlement" means an amount computed by the local control funding formula pursuant to Section 42238.02, as implemented by Section 42238.03.
- (b) "Economic impact aid-eligible pupils" means those pupils that are included in the economic impact aid-eligible pupil count pursuant to Section 54023. For purposes of applying Section 54023 to charter schools, "economically disadvantaged pupils" means the pupils described in paragraph (2) of subdivision (a) of Section 54026.
- (c) "General-purpose funding" means those funds that consist of state aid, local property taxes, and other revenues applied toward a school district's local control funding formula, pursuant to Section 42238.02, as implemented by Section 42238.03.
- (d) "Categorical aid" means aid that consists of state or federally funded programs, or both, that are apportioned for specific purposes set forth in statute or regulation.
- (e) "Educationally disadvantaged pupils" means those pupils who meet federal eligibility criteria for free and reduced-price meals as specified in Section 49531, as that section read on January 1, 2013, except in regard to meals in family day care homes.
- (f) "Operational funding" means all funding except funding for capital outlay.
- (g) "School district of a similar type" means a school district that is serving similar grade levels.
- (h) "Similar pupil population" means similar numbers of pupils by grade level, with a similar proportion of educationally disadvantaged pupils.
- (i) "Sponsoring local educational agency" means the following:
 - (1) If a charter school is granted by a school district, the sponsoring local educational agency is the school district.
 - (2) If a charter is granted by a county office of education after having been previously denied by a school district, the sponsoring local educational agency means the school district that initially denied the charter petition.
 - (3) If a charter is granted by the state board after having been previously denied by a local educational agency, the sponsoring local educational agency means the local educational agency designated by the state board pursuant to paragraph (1) of subdivision (k) of Section 47605 or if a local educational agency is not designated, **the local educational agency that initially denied the charter petition the pupils' school district of residence if the school district is a basic aid school district. For purposes of this paragraph, "basic aid school district" means a school district that did not receive an apportionment of state funds as described in subdivision (o) of Section 42238.02 in the prior fiscal year.**
 - (4) For pupils attending county-sponsored charter schools pursuant to Section 47605.5 who do not meet the criteria identified in subdivision (b) of Section 47631, the sponsoring local educational agency means the pupils' school district of residence.
 - (5) For pupils attending countywide charter schools pursuant to Section 47605.6 who reside in a basic aid school district, the sponsoring local educational agency means the pupils' school district of residence. For purposes of this paragraph, "basic aid school district" means a school district that did not receive an apportionment of state funds as described in subdivision (o) of Section 42238.02 in the prior fiscal year.

Uniform Complaint Procedures for Grade 9 to 12 Physical Education Minutes

Section 51222 of the Education Code is amended to read:

(New for May Revision)

51222 (a) All pupils, except pupils excused or exempted pursuant to Section 51241, shall be required to attend upon the courses of physical education for a total period of time of not less than 400 minutes each 10 schooldays. Any pupil may be excused from physical education classes during one of grades 10, 11, or 12 for not to exceed 24 clock hours in order to participate in automobile driver training. Such pupil who is excused from physical education classes to enroll in driver training shall attend upon a minimum of 7,000 minutes of physical education instruction during such school year.

(b) The governing board of each school district that maintains a high school and that elects to exempt pupils from required attendance in physical education courses pursuant to paragraph (1) or (2) or both of subdivision (b) of Section 51241 shall offer those pupils so exempted a variety of elective physical education courses of not less than 400 minutes each 10 schooldays.

(c) (1) A complaint that a school district or county superintendent of schools has not complied with the instructional minute requirements of subdivision (a) may be filed with a school district or county superintendent of schools pursuant to the Uniform Complaint Procedures set forth in Chapter 5.1 (commencing with Section 4600) of Division 1 of Title 5 of the California Code of Regulations.

(2) A complainant not satisfied with the decision of a school district or county superintendent of schools may appeal the decision of the department pursuant to Chapter 5.1 (commencing with Section 4600) of Division 1 of Title 5 of the California Code of Regulations and shall receive a written appeal decision within 60 days of the department's receipt of the appeal.

(3) If a school district or county superintendent of schools finds merit in a complaint, or the Superintendent finds merit in an appeal, the school district or county superintendent of schools shall provide a remedy to all affected pupils, parents, and guardians.

(d) The Legislature finds and declares that neither the original provisions of this section, nor any subsequent amendments to it, were intended to create a private right of action. However, nothing in this subdivision shall restrict or expand the existing right of any party to seek relief from noncompliance with this section pursuant to a writ of mandate.

Section 51223 of the Education Code is amended to read:

(Revert to Existing Statute)

51223. (a) Notwithstanding Sections 51210 and 51222, instruction in physical education in an elementary school maintaining any of grades 1 to 8, inclusive, shall be for a total period of time of not less than 200 minutes each 10 schooldays, exclusive of recesses and the lunch period.

(b) (1) A complaint that a school district or county superintendent of schools has not complied with the instructional minute requirements of subdivision (a) **or subdivision (a) of Section 51222** may be filed with a school district or county superintendent of schools pursuant to the Uniform Complaint Procedures set forth in Chapter 5.1 (commencing with Section 4600) of Division 1 of Title 5 of the California Code of Regulations.

(2) A complainant not satisfied with the decision of a school district or county superintendent of schools may appeal the decision of the department pursuant to Chapter 5.1 (commencing with Section 4600) of Division 1 of Title 5 of the California Code of Regulations and shall receive a written appeal decision within 60 days of the department's receipt of the appeal.

(3) If a school district or county superintendent of schools finds merit in a complaint or the Superintendent finds merit in an appeal, the school district or county superintendent of schools shall provide a remedy to all affected pupils, parents, and guardians.

(c) The Legislature finds and declares that neither the original provisions of this section, nor any subsequent amendments to it, were intended to create a private right of action. However, nothing in this subdivision shall restrict or expand the existing right of any party to seek relief from noncompliance with this section pursuant to a writ of mandate.

Local Indicators for Conditions of Learning

Section 52064.5 of the Education Code is amended to read: (New for May Revision)

52064.5. (a) On or before October 1, 2016, the state board shall adopt evaluation rubrics for all of the following purposes:

(1) To assist a school district, county office of education, or charter school in evaluating its strengths, weaknesses, and areas that require improvement.

(2) To assist a county superintendent of schools, the California Department of Education, or a charter school authorizer in identifying school districts, county offices of education, and charter schools in need of technical assistance pursuant to Section 52071, 52071.5, or 47607.3, as applicable, and the specific priorities upon which the technical assistance should be focused.

(3) To assist the Superintendent in identifying school districts and county offices of education for which intervention pursuant to Section 52072 or 52072.5, as applicable, is warranted.

(b) The evaluation rubrics shall reflect a holistic, multidimensional assessment of school district and individual schoolsite performance and shall include all of the state priorities described in subdivision (d) of Section 52060.

(c) As part of the evaluation rubrics, the state board shall adopt state and local indicators to measure school district and individual schoolsite performance in regard to each of the state priorities described in subdivision (d) of Section 52060. No later than January 31, 2020, local indicators shall reflect school-level data to the extent the department collects or otherwise has access to relevant and reliable school-level data for all schools statewide.

(d) The state board may adopt alternate methods for calculating the state and local indicators described in subdivision (c) for alternative schools, as described in subdivision (d) of Section 52052, if appropriate to more fairly evaluate the performance of these schools or of a specific category of these schools. Alternate methods may include an individual pupil growth model.

(e) As part of the evaluation rubrics, the state board shall adopt standards for school district and individual schoolsite performance and expectations for improvement in regard to each of the state priorities described in subdivision (d) of Section 52060. The standards shall be based on the state and local indicators specified in subdivision (c). No later than January 31, 2020, the standards for local indicators shall, at a minimum, ensure that the governing board of a school district, the county board of education, and the governing body of a charter school review any data to be publicly reported for local indicators in conjunction with adoption of the local control and accountability plan pursuant to Section 52062, 52068, or 47606.5, as applicable. No later than January 31, 2021, the standards for local indicators for which the department collects or otherwise has access to relevant and reliable school-level data for all schools statewide shall, to the extent practicable, be based on objective criteria, which may include, but are not necessarily limited to, the extent of any disparities across school sites within a school district or county office of education or performance relative to statewide data.

(f) The department, in collaboration with, and subject to the approval of, the executive director of the state board, shall develop and maintain the California School Dashboard, a Web-based system for publicly reporting performance data on the state and local indicators included in the evaluation rubrics.

(g) As part of the evaluation rubrics, the state board shall adopt performance criteria for local educational agency assistance and intervention pursuant to Sections 47607.3, 52071, 52071.5, 52072, and 52072.5. The criteria shall be based on performance by pupil subgroups either

across two or more of the state and local indicators specified in subdivision (c) or across two or more of the state priorities described in subdivision (d) of Section 52060 and subdivision (d) of Section 52066.

Special Education Local Plan Area (SELPA) Annual Assurances Plan

Section 56122 of the Education Code is amended to read:

- (a) The Superintendent shall establish guidelines for the development of local plans, including a standard format for local plans, and provide assistance in the development of local plans. The purposes of the guidelines and assistance shall be to help districts and county offices benefit from the experience of other local agencies that implement programs under this part, including, but not limited to, reducing paperwork, increasing parental involvement, improving transparency, and providing effective staff development activities. To the extent possible, all forms, reports, and evaluations shall be designed to satisfy simultaneously state and federal requirements.
- (b) On or before July 1, 2019, the department shall develop templates that shall be used by special education local plan areas, districts, and county superintendents of schools to meet the requirements of Sections 56195.1 and 56205.
- (c) Commencing July 1, 2020 ~~2021~~, each local plan shall include an annual assurances support plan. The purpose of the annual assurances support plan is to demonstrate how the special education local plan area and its participating agencies are coordinating for purposes of assuring effective outcomes for pupils with disabilities. The department shall develop a template for the annual assurances support plan by ~~March 31, 2019~~ **July 1, 2020**. The annual assurances support plan shall include all of the following elements:
- (1) A description of how the governing board of the special education local plan area has determined that the special education local plan area will support participating agencies in achieving the goals, actions, and services identified in their local control and accountability plans.
 - (2) A description of how the governing board of the special education local plan area has determined that the special education local plan area will connect its participating agencies in need of technical assistance to the statewide system of support.
 - (3) A brief description of the services, technical assistance, and support the governing board of the special education local plan area has determined that it will provide in meeting the requirements under paragraphs (1) to (21), inclusive, of subdivision (a) of Section 56205.

Special Education Interagency Collaborative

Section 56477 of the Education Code is added to read:

(New for May Revision)

56477. (a) Commencing in the 2019-20 fiscal year, the Department shall jointly convene with the Department of Developmental Services and the Department of Health Care Services one or more special education workgroups that include representatives from local educational agencies, appropriate county agencies, and regional centers. The workgroups shall convene for the following purposes:

- (1) Improving transition of three-year-olds with disabilities from regional centers to local educational agencies, to help ensure continuity of services for young children and families.
- (2) Improving coordination and expansion of access to available federal funds for medically-related special education services.

(b) On or before October 1, 2020 the workgroups shall provide the chairs of the relevant policy and budget subcommittees of the Legislature and the Department of Finance with recommendations for:

- (1) Strategies to improve the state's performance in meeting federal deadlines for transitioning three-year-old children from regional centers Individualized Family Support Plan to a local educational agency Individualized Educational Program.
- (2) Best practices for regional centers and local educational agencies to ensure every three-year-old receives an uninterrupted continuum of support services.
- (3) Program requirements and support services needed for the Medi-Cal Billing Option Program and the School-based Medi-Cal Administrative Activities Program to ensure ease of use and access for local educational agencies and parity of eligible services throughout the state and country.

Out-of-Home Care Funding Amounts

Section 56836.165 of the Education Code is amended to read:

56836.165. (a) For the 2004–05 fiscal year and each fiscal year thereafter, the Superintendent shall calculate for each special education local plan area an amount based on (1) the number of children and youth residing in foster family homes, small family homes, and foster family agencies, (2) the licensed capacity of group homes licensed by the State Department of Social Services, and (3) the number of children and youth ages 3 to 21 years, inclusive, referred by the State Department of Developmental Services who are residing in skilled nursing facilities or intermediate care facilities licensed by the State Department of Health Services and the number of children and youth, ages 3 to 21 years, inclusive, referred by the State Department of Developmental Services who are residing in community care facilities licensed by the State Department of Social Services.

(b) The department shall assign each facility described in paragraphs (1), (2), and (3) of subdivision (a) a severity rating. The severity ratings shall be on a scale from 1 to 14. Foster family homes and small family homes shall be assigned a severity rating of 1. Foster family agencies shall be assigned a severity rating of 2. Facilities described in paragraph (2) of subdivision (a) shall be assigned the same severity rating as its State Department of Social Services rate classification level. For facilities described in paragraph (3) of subdivision (a), skilled nursing facilities shall be assigned a severity rating of 14, intermediate care facilities shall be assigned a severity rating of 11, and community care facilities shall be assigned a severity rating of 8.

(c) (1) The department shall establish a "bed allowance" for each severity level. For the 2004–05 fiscal year, the bed allowance shall be calculated as described in paragraph (2). For the 2005–06 fiscal year and each fiscal year thereafter, the department shall increase the bed allowance by the inflation adjustment computed pursuant to Section 42238.1. The department shall not establish a bed allowance for any facility defined in paragraphs (2) and (3) of subdivision (a) if it is not licensed by the State Department of Social Services or the State Department of Health Services.

(2) (A) The bed allowance for severity level 1 shall be five hundred two dollars (\$502).

(B) The bed allowance for severity level 2 shall be six hundred ten dollars (\$610).

(C) The bed allowance for severity level 3 shall be one thousand four hundred thirty-four dollars (\$1,434).

(D) The bed allowance for severity level 4 shall be one thousand six hundred forty-nine dollars (\$1,649).

(E) The bed allowance for severity level 5 shall be one thousand eight hundred sixty-five dollars (\$1,865).

(F) The bed allowance for severity level 6 shall be two thousand eighty dollars (\$2,080).

(G) The bed allowance for severity level 7 shall be two thousand two hundred ninety-five dollars (\$2,295).

- (H) The bed allowance for severity level 8 shall be two thousand five hundred ten dollars (\$2,510).
- (I) The bed allowance for severity level 9 shall be five thousand four hundred fifty-one dollars (\$5,451).
- (J) The bed allowance for severity level 10 shall be five thousand eight hundred eighty-one dollars (\$5,881).
- (K) The bed allowance for severity level 11 shall be nine thousand four hundred sixty-seven dollars (\$9,467).
- (L) The bed allowance for severity level 12 shall be thirteen thousand four hundred eighty-three dollars (\$13,483).
- (M) The bed allowance for severity level 13 shall be fourteen thousand three hundred forty-three dollars (\$14,343).
- (N) The bed allowance for severity level 14 shall be twenty thousand eighty-one dollars (\$20,081).
- (d) (1) For each fiscal year, the department shall calculate an out-of-home care funding amount for each special education local plan area as the sum of amounts computed pursuant to paragraphs (2), (3), and (4). The State Department of Social Services and the State Department of Developmental Services shall provide the State Department of Education with the residential counts identified in paragraphs (2), (3), and (4).
- (2) The number of children and youth residing on April 1 in foster family homes, small family homes, and foster family agencies located in each special education local plan area times the appropriate bed allowance.
- (3) The capacity on April 1 of each group home licensed by the State Department of Social Services located in each special education local plan area times the appropriate bed allowance.
- (4) The number on April 1 of children and youth (A) ages 3 through 21 referred by the State Department of Developmental Services who are residing in skilled nursing facilities and intermediate care facilities licensed by the State Department of Health Services located in each special education local plan area times the appropriate bed allowance, and (B) ages 3 to 21 years, inclusive, referred by the State Department of Developmental Services who are residing in community care facilities licensed by the State Department of Social Services located in each special education local plan area times the appropriate bed allowance.
- (5) Notwithstanding subdivision (b) and paragraphs (2) and (3), for purposes of the 2017–18 ~~and 2018–19~~ **through the 2019-20** fiscal years out-of-home care funding amount for group homes, foster family homes, small family homes, and foster family agencies, the Superintendent shall use the data received from the State Department of Social Services that was used for the funding for the 2016–17 fiscal year.
- (e) In determining the amount of the first principal apportionment for a fiscal year pursuant to Section 41332, the Superintendent shall continue to apportion funds from Section A of the State School Fund to each special education local plan area equal to the amount apportioned at the advance apportionment pursuant to Section 41330 for that fiscal year.
- (f) Notwithstanding subdivision (b) and paragraph (3) of subdivision (d), for purposes of the 2016–17 fiscal year funding for group homes, the Superintendent shall use the rate classification levels as they exist on December 31, 2016, and the capacity of each group home licensed by the State Department of Social Services located in each special education local plan area on December 31, 2016.

K-12 Mandate Block Grant Adjustments

Section 17581.6 of the Government Code is amended to read: (New for May Revision)

- 17581.6. (a) Funding apportioned pursuant to this section shall constitute reimbursement pursuant to Section 6 of Article XIII B of the California Constitution for the performance of any state mandates included in the statutes and executive orders identified in subdivision ~~(e)~~ (f).
- (b) Any school district, county office of education, or charter school may elect to receive block grant funding pursuant to this section.
- (c) (1) A school district, county office of education, or charter school that elects to receive block grant funding pursuant to this section in a given fiscal year shall submit a letter requesting funding to the Superintendent of Public Instruction on or before August 30 of that fiscal year.
- (2) The Superintendent of Public Instruction shall, in the month of November of each year, apportion block grant funding appropriated pursuant to Item 6100-296-0001 of Section 2.00 of the annual Budget Act to all school districts, county offices of education, and charter schools that submitted letters requesting funding in that fiscal year according to the provisions of that item.
- (3) A school district or county office of education that receives block grant funding pursuant to this section shall not be eligible to submit claims to the Controller for reimbursement pursuant to Section 17560 for any costs of any state mandates included in the statutes and executive orders identified in subdivision (f) incurred in the same fiscal year during which the school district or county office of education received funding pursuant to this section.
- (d) Commencing with the 2017–18 fiscal year, the per unit average daily attendance funding rates specified in the provisions of Item 6100-296-0001 of the annual Budget Act shall be adjusted annually by the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year. This percentage change shall be determined using the latest data available as of May 10 of the preceding fiscal year compared with the annual average value of the same deflator for the 12-month period ending in the third quarter of the second preceding fiscal year, using the latest data available as of May 10 of the preceding fiscal year, as reported by the Department of Finance.
- (e) Block grant funding apportioned pursuant to this section is subject to annual financial and compliance audits required by Section 41020 of the Education Code.
- (f) Block grant funding apportioned pursuant to this section is specifically intended to fund the costs of the following programs and activities:
- (1) Academic Performance Index (01-TC-22; Chapter 3 of the Statutes of 1999, First Extraordinary Session; and Chapter 695 of the Statutes of 2000).
- (2) Agency Fee Arrangements (00-TC-17 and 01-TC-14; Chapter 893 of the Statutes of 2000 and Chapter 805 of the Statutes of 2001).
- (3) AIDS Instruction and AIDS Prevention Instruction (CSM 4422, 99-TC-07, and 00-TC-01; Chapter 818 of the Statutes of 1991; and Chapter 403 of the Statutes of 1998).
- (4) Cal Grant: Opt-Out Notice and Grade Point Average Submission (16-TC-02; Chapter 679 of the Statutes of 2014 and Chapter 82 of the Statutes of 2016).
- ~~(4)~~(5) California Assessment of Student Performance and Progress (CAASPP) (14-TC-01 and 14-TC-04; Chapter 489 of the Statutes of 2013; and Chapter 32 of the Statutes of 2014).
- ~~(5)~~(6) California State Teachers' Retirement System (CalSTRS) Service Credit (02-TC-19; Chapter 603 of the Statutes of 1994; Chapters 383, 634, and 680 of the Statutes of 1996; Chapter 838 of the Statutes of 1997; Chapter 965 of the Statutes of 1998; Chapter 939 of the Statutes of 1999; and Chapter 1021 of the Statutes of 2000).
- ~~(6)~~(7) Caregiver Affidavits (CSM 4497; Chapter 98 of the Statutes of 1994).

- (7)(8) Charter Schools I, II, and III (CSM 4437, 99-TC-03, and 99-TC-14; Chapter 781 of the Statutes of 1992; Chapters 34 and 673 of the Statutes of 1998; Chapter 34 of the Statutes of 1998; and Chapter 78 of the Statutes of 1999).
- (8)(9) Charter Schools IV (03-TC-03; Chapter 1058 of the Statutes of 2002).
- (9)(10) Child Abuse and Neglect Reporting (01-TC-21; Chapters 640 and 1459 of the Statutes of 1987; Chapter 132 of the Statutes of 1991; Chapter 459 of the Statutes of 1992; Chapter 311 of the Statutes of 1998; Chapter 916 of the Statutes of 2000; and Chapters 133 and 754 of the Statutes of 2001).
- (10)(11) Collective Bargaining (CSM 4425; Chapter 961 of the Statutes of 1975).
- (11)(12) Comprehensive School Safety Plans (98-TC-01 and 99-TC-10; Chapter 736 of the Statutes of 1997; Chapter 996 of the Statutes of 1999; and Chapter 828 of the Statutes of 2003).
- (12)(13) Consolidation of Annual Parent Notification/School site Discipline Rules/Alternative Schools (CSM 4488, CSM 4461, 99-TC-09, 00-TC-12, 97-TC-24, CSM 4453, CSM 4474, CSM 4462; Chapter 448 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 975 of the Statutes of 1980; Chapter 469 of the Statutes of 1981; Chapter 459 of the Statutes of 1985; Chapters 87 and 97 of the Statutes of 1986; Chapter 1452 of the Statutes of 1987; Chapters 65 and 1284 of the Statutes of 1988; Chapter 213 of the Statutes of 1989; Chapters 10 and 403 of the Statutes of 1990; Chapter 906 of the Statutes of 1992; Chapter 1296 of the Statutes of 1993; Chapter 929 of the Statutes of 1997; Chapters 846 and 1031 of the Statutes of 1998; Chapter 1 of the Statutes of 1999, First Extraordinary Session; Chapter 73 of the Statutes of 2000; Chapter 650 of the Statutes of 2003; Chapter 895 of the Statutes of 2004; and Chapter 677 of the Statutes of 2005).
- (13)(14) Consolidation of Law Enforcement Agency Notification and Missing Children Reports (CSM 4505; Chapter 1117 of the Statutes of 1989 and 01-TC-09; Chapter 249 of the Statutes of 1986; and Chapter 832 of the Statutes of 1999).
- (14)(15) Consolidation of Notification to Teachers: Pupils Subject to Suspension or Expulsion I and II, and Pupil Discipline Records (00-TC-10 and 00-TC-11; Chapter 345 of the Statutes of 2000).
- (15)(16) Consolidated Suspensions, Expulsions, and Expulsion Appeals (96-358-03, 03A, 98-TC-22, 01-TC-18, 98-TC-23, 97-TC-09; Chapters 972 and 974 of the Statutes of 1995; Chapters 915, 937, and 1052 of the Statutes of 1996; Chapter 637 of the Statutes of 1997; Chapter 489 of the Statutes of 1998; Chapter 332 of the Statutes of 1999; Chapter 147 of the Statutes of 2000; and Chapter 116 of the Statutes of 2001) (CSM 4455; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 318 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 622 of the Statutes of 1984; Chapter 942 of the Statutes of 1987; Chapter 1231 of the Statutes of 1990; Chapter 152 of the Statutes of 1992; Chapters 1255, 1256, and 1257 of the Statutes of 1993; and Chapter 146 of the Statutes of 1994) (CSM 4456; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 73 of the Statutes of 1980; Chapter 498 of the Statutes of 1983; Chapter 856 of the Statutes of 1985; and Chapter 134 of the Statutes of 1987) (CSM 4463; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; and Chapter 498 of the Statutes of 1983).
- (16)(17) County Office of Education Fiscal Accountability Reporting (97-TC-20; Chapters 917 and 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the Statutes of 1988; Chapter 1372 of the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of 1995).
- (17)(18) Criminal Background Checks (97-TC-16; Chapters 588 and 589 of the Statutes of 1997).

- ~~(18)~~(19) Criminal Background Checks II (00-TC-05; Chapters 594 and 840 of the Statutes of 1998; and Chapter 78 of the Statutes of 1999).
- ~~(19)~~(20) Developer Fees (02-TC-42; Chapter 955 of the Statutes of 1977; Chapter 282 of the Statutes of 1979; Chapter 1354 of the Statutes of 1980; Chapter 201 of the Statutes of 1981; Chapter 923 of the Statutes of 1982; Chapter 1254 of the Statutes of 1983; Chapter 1062 of the Statutes of 1984; Chapter 1498 of the Statutes of 1985; Chapters 136 and 887 of the Statutes of 1986; and Chapter 1228 of the Statutes of 1994).
- ~~(20)~~(21) Differential Pay and Reemployment (99-TC-02; Chapter 30 of the Statutes of 1998).
- ~~(21)~~(22) Expulsion of Pupil: Transcript Cost for Appeals (SMAS; Chapter 1253 of the Statutes of 1975).
- ~~(22)~~(23) Financial and Compliance Audits (CSM 4498 and CSM 4498-A; Chapter 36 of the Statutes of 1977).
- ~~(23)~~(24) Graduation Requirements (CSM 4181; Chapter 498 of the Statutes of 1983).
- ~~(24)~~(25) Habitual Truants (CSM 4487 and CSM 4487-A; Chapter 1184 of the Statutes of 1975).
- ~~(25)~~(26) Immunization Records (SB 90-120; Chapter 1176 of the Statutes of 1977).
- ~~(26)~~(27) Immunization Records—Mumps, Rubella, and Hepatitis B (98-TC-05; 14-MR-04; Chapter 325 of the Statutes of 1978; Chapter 435 of the Statutes of 1979; Chapter 472 of the Statutes of 1982; Chapter 984 of the Statutes of 1991; Chapter 1300 of the Statutes of 1992; Chapter 1172 of the Statutes of 1994; Chapters 291 and 415 of the Statutes of 1995; Chapter 1023 of the Statutes of 1996; and Chapters 855 and 882 of the Statutes of 1997; and Chapter 434 of the Statutes of 2010).
- ~~(27)~~(28) Immunization Records—Pertussis (11-TC-02; Chapter 434 of the Statutes of 2010).
- ~~(28)~~(29) Interdistrict Attendance Permits (CSM 4442; Chapters 172 and 742 of the Statutes of 1986; Chapter 853 of the Statutes of 1989; Chapter 10 of the Statutes of 1990; and Chapter 120 of the Statutes of 1992).
- ~~(29)~~(30) Intradistrict Attendance (CSM 4454; Chapters 161 and 915 of the Statutes of 1993).
- ~~(30)~~(31) Juvenile Court Notices II (CSM 4475; Chapters 1011 and 1423 of the Statutes of 1984; Chapter 1019 of the Statutes of 1994; and Chapter 71 of the Statutes of 1995).
- ~~(31)~~(32) Notification of Truancy (CSM 4133; Chapter 498 of the Statutes of 1983; Chapter 1023 of the Statutes of 1994; and Chapter 19 of the Statutes of 1995).
- ~~(32)~~(33) Parental Involvement Programs (03-TC-16; Chapter 1400 of the Statutes of 1990; Chapters 864 and 1031 of the Statutes of 1998; and Chapter 1037 of the Statutes of 2002).
- ~~(33)~~(34) Physical Performance Tests (96-365-01; Chapter 975 of the Statutes of 1995).
- ~~(34)~~(35) Prevailing Wage Rate (01-TC-28; Chapter 1249 of the Statutes of 1978).
- ~~(35)~~(36) Public Contracts (02-TC-35; Chapter 1073 of the Statutes of 1985; Chapter 1408 of the Statutes of 1988; Chapter 330 of the Statutes of 1989; Chapter 1414 of the Statutes of 1990; Chapter 321 of the Statutes of 1990; Chapter 799 of the Statutes of 1992; and Chapter 726 of the Statutes of 1994).
- ~~(36)~~(37) Pupil Health Screenings (CSM 4440; Chapter 1208 of the Statutes of 1976; Chapter 373 of the Statutes of 1991; and Chapter 750 of the Statutes of 1992).
- ~~(37)~~(38) Pupil Promotion and Retention (98-TC-19; Chapter 100 of the Statutes of 1981; Chapter 1388 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 1263 of the Statutes of 1990; and Chapters 742 and 743 of the Statutes of 1998).
- ~~(38)~~(39) Pupil Safety Notices (02-TC-13; Chapter 498 of the Statutes of 1983; Chapter 482 of the Statutes of 1984; Chapter 948 of the Statutes of 1984; Chapter 196 of the Statutes of 1986; Chapter 332 of the Statutes of 1986; Chapter 445 of the Statutes of 1992; Chapter 1317 of the Statutes of 1992; Chapter 589 of the Statutes of 1993; Chapter 1172 of the Statutes of 1994; Chapter 1023 of the Statutes of 1996; and Chapter 492 of the Statutes of 2000).
- ~~(39)~~(40) Race to the Top (10-TC-06; Chapters 2 and 3 of the Statutes of 2009).
- ~~(40)~~(41) School Accountability Report Cards (97-TC-21, 00-TC-09, 00-TC-13, and 02-TC-32; Chapter 918 of the Statutes of 1997; Chapter 912 of the Statutes of 1997; Chapter 824 of the

Statutes of 1994; Chapter 1031 of the Statutes of 1993; Chapter 759 of the Statutes of 1992; and Chapter 1463 of the Statutes of 1989).

~~(41)~~~~(42)~~ School District Fiscal Accountability Reporting (97-TC-19; Chapter 100 of the Statutes of 1981; Chapter 185 of the Statutes of 1985; Chapter 1150 of the Statutes of 1986; Chapters 917 and 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the Statutes of 1988; Chapter 525 of the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of 1995).

~~(42)~~~~(43)~~ School District Reorganization (98-TC-24; Chapter 1192 of the Statutes of 1980; and Chapter 1186 of the Statutes of 1994).

~~(43)~~~~(44)~~ Student Records (02-TC-34; Chapter 593 of the Statutes of 1989; Chapter 561 of the Statutes of 1993; Chapter 311 of the Statutes of 1998; and Chapter 67 of the Statutes of 2000).

~~(44)~~~~(45)~~ The Stull Act (98-TC-25; Chapter 498 of the Statutes of 1983; and Chapter 4 of the Statutes of 1999).

~~(45)~~~~(46)~~ Threats against Peace Officers (CSM 96-365-02; Chapter 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of 1995).

~~(46)~~~~(47)~~ Training for School Employee Mandated Reporters (14-TC-02; Chapter 797 of the Statutes of 2014).

~~(47)~~~~(48)~~ Uniform Complaint Procedures (03-TC-02; Chapter 1117 of the Statutes of 1982; Chapter 1514 of the Statutes of 1988; and Chapter 914 of the Statutes of 1998).

~~(48)~~~~(49)~~ Williams Case Implementation I, II, and III (05-TC-04, 07-TC-06, and 08-TC-01; Chapters 900, 902, and 903 of the Statutes of 2004; Chapter 118 of the Statutes of 2005; Chapter 704 of the Statutes of 2006; and Chapter 526 of the Statutes of 2007).

(g) Notwithstanding Section 10231.5, on or before November 1 of each fiscal year, the Superintendent of Public Instruction shall produce a report that indicates the total amount of block grant funding each school district, county office of education, and charter school received in that fiscal year pursuant to this section. The Superintendent of Public Instruction shall provide this report to the appropriate fiscal and policy committees of the Legislature, the Controller, the Department of Finance, and the Legislative Analyst's Office.

Postretirement Limitation Exemption for Districts Subject to Emergency Apportionments

Section 21224 of the Government Code is amended to read: (New for May Revision)

21224. (a) A retired person may serve without reinstatement from retirement or loss or interruption of benefits provided by this system upon appointment by the appointing power of a state agency or public agency employer either during an emergency to prevent stoppage of public business or because the retired person has specialized skills needed in performing work of limited duration. These appointments shall not exceed a combined total of 960 hours for all employers each fiscal year. The compensation for the appointment shall not exceed the maximum monthly base salary paid to other employees performing comparable duties as listed on a publicly available pay schedule divided by 173.333 to equal an hourly rate. A retired person appointed pursuant to this section shall not receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate. A retired annuitant appointed pursuant to this section shall not work more than 960 hours each fiscal year regardless of whether he or she works for one or more employers.

(b) (1) This section shall not apply to any retired person otherwise eligible if during the 12-month period prior to an appointment described in this section the retired person received any unemployment insurance compensation arising out of prior employment subject to this section with the same employer.

(2) A retired person who accepts an appointment after receiving unemployment insurance compensation as described in this subdivision shall terminate that employment on the last day of the current pay period and shall not be eligible for reappointment subject to this section for a period of 12 months following the last day of employment. The retired person shall not be subject to Section 21202 or subdivision (b) of Section 21220.

(c) The postretirement limitation provisions in this section do not apply to a member retired for service under this part who is appointed to a vacant administrative position by the administrator of a school district subject to an emergency apportionment, as provided in Section 41326.

Southern California Regional Occupational Center (SoCal ROC)

Add uncodified language as follows:

(New for May Revision)

(a) Consistent with the intent expressed in subdivision (c) of Section 76 of Chapter 15 of the Statutes of 2017, the sum of two million dollars (\$2,000,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction for allocation to the Southern California Regional Occupational Center for instructional and operating costs in the 2019-20 fiscal year. It is the intent of the Legislature that this allocation assist the Southern California Regional Occupational Center to transition to a fully fee-supported funding model.

(b) As a condition of receiving funding appropriated pursuant to subdivision (a), the Southern California Regional Occupational Center shall submit an updated operational plan to the Department of Finance and the Legislative Analyst on or before September 1, 2019.

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the amount appropriated in subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 2019-20 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2019-20 fiscal year.

Charter School Enrollment

Add uncodified language as follows:

(New for May Revision)

(a) The Legislature finds and declares all of the following:

(1) Assembly Bill 1360 (Bonta), Chapter 760, Statutes of 2017, became effective on January 1, 2018. That legislation was intended, in part, to ensure "equal access to interested pupils at charter schools and prohibit practices that discourage enrollment or disproportionately push out segments of already enrolled pupils" and that "charter school discipline policies are fair and transparent."

(2) The California Longitudinal Pupil Achievement Data System (CALPADS), authorized pursuant to Chapter 10 of Part 33 of Division 4 of Title 2 of the Education Code, contains pupil enrollment data that may provide important insight into pupil mobility and whether there are trends in enrollment patterns at individual schools or types of schools.

(3) There are opportunities to use existing data to help policymakers address disparities in opportunities and improve outcomes for all students and assess whether policies and programs are achieving their intended purpose.

(b) The department shall study the feasibility of both of the following:

(1) Analyzing student enrollment patterns at charter schools based on student enrollment data from CALPADS to identify students who were enrolled at a charter school in the fall but were no longer enrolled at the charter school in the spring.

- (2) Matching assessment results and graduation rates for students described in paragraph (1) and comparing the results to those of who remain enrolled at the charter school.
- (c) In completing the study required pursuant to subdivision (b), the department shall address any resource or technical barriers to completing the tasks described in subdivision (b) and shall develop recommendations for overcoming any such barriers and additional recommendations, as deemed appropriate by the department, on any of the following issues:
- (1) The enrollment data elements within CALPADS that should be used.
- (2) The grade levels that should be analyzed.
- (3) The potential to address any data limitations that may be caused by small sample sizes.
- (4) The potential to utilize statistically reliable sampling methods.
- (5) Any potential limitations on conclusions that may be drawn given the underlying data.
- (d) By November 1, 2019, the department shall submit a report summarizing the findings of the feasibility study conducted and any recommendations developed pursuant to this section to the relevant policy and fiscal committees of the Legislature, the Director of Finance, and the Legislative Analyst's Office.

California School Dashboard and School Accountability Report Card, Maintenance and Support

Add uncodified language as follows:

(New for May Revision)

- (a) There is hereby appropriated to the department from the General Fund to the State Department of Education the following amounts for the maintenance and support of the California School Dashboard and the School Accountability Report Card:
- (1) For the 2019-20 fiscal year, one hundred and seventy-eight thousand dollars (\$178,000).
- (2) Commencing with the 2020-21 fiscal year, and each fiscal year thereafter, the sum of one hundred and fifty-four thousand dollars (\$154,000).
- (b) (1) For the purposes specified in subdivision (a), the State Department of Education, in collaboration with, and subject to the approval of, the executive director of the State Board of Education, shall enter into a contract with the San Joaquin County Office of Education.
- (2) When performing these activities, the San Joaquin County Office of Education may enter into appropriate contracts for the provision of support and services, as necessary.
- (c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code.

Disaster Relief Provisions for Wildfire affected Districts

Add uncodified language as follows:

(New for May Revision)

- (a) Notwithstanding any other law, the Paradise Unified School District may request that the Fiscal Crisis and Management Assistance team conduct an evaluation of the need for additional funding provisions for in fiscal year 2021-22 as a result of the state of emergency declared by the Governor in October 2018 and provide recommendations to the Department of Finance, the Legislature, and the Superintendent by October 30th, 2020.

Property Tax Loss Backfill for Wildfire affected Basic Aid Districts

Add uncodified language as follows:

(New for May Revision)

(a) Basic aid school districts that experience a decrease in local property tax revenues as a result of a state of emergency declared by the Governor in November of 2018 shall be reimbursed from the State General Fund for losses experienced both in fiscal year 2018-19 and 2019-20. The amounts of the reimbursements shall be submitted by the respective county auditor controllers of the affected counties not later than November 30th of each respective fiscal year. The funds needed for reimbursement shall be allocated by the State Controller to the affected school districts according to a schedule provided by the Department of Finance not later than January 30th of each the respective fiscal years.

(1) For purposes of this subdivision, the term "basic aid school district" means a school district that did not receive from the state, for fiscal year 2018-19 as of the first principal apportionment, an apportionment of state funds as described in subdivision (o) of Section 42238.02.

Special Education Redevelopment Agency Revenue Backfill

Add uncodified language as follows:

(New for May Revision)

(a) On or before June 30, 2019, an amount to be determined by the Director of Finance shall be appropriated from the General Fund to the Superintendent of Public Instruction in augmentation of Schedule (1) of Item 6100-161-0001 of Section 2.00 of the Budget Act of 2019.

(b) The funds appropriated in subdivision (a) shall only be available to the extent that revenues distributed to local educational agencies for special education programs pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code are less than the estimated amount reflected in the Budget Act of 2019, as determined by the Director of Finance.

(c) On or before June 30, 2020, the Director of Finance shall determine if the revenues distributed to local educational agencies for special education programs pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code exceed the estimated amount reflected in the Budget Act of 2019 and shall reduce Schedule (1) of Item 6100-161-0001 of Section 2.00 of the Budget Act of 2019 by the amount of that excess.

(d) In making the determinations pursuant to subdivisions (b) and (c), the Director of Finance shall consider any other local property tax revenues collected in excess or in deficit of the estimated amounts reflected in the Budget Act of 2019.

(e) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of his or her intent to notify the Controller of the necessity to release funds appropriated in subdivision (a) or to make the reduction pursuant to subdivision (c), and the amount needed to address the property tax shortfall determined pursuant to subdivision (b) or the amount of the reduction made pursuant to subdivision (c). The Controller shall make the funds available pursuant to subdivision (a) not sooner than five days after this notification and the State Department of Education shall work with the Controller to allocate these funds to local educational agencies as soon as practicable.

(f) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 2019-20 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2019-20 fiscal year.

Broadband Infrastructure Grant Program

Add uncodified language as follows:

(New for May Revision)

(a) The sum of fifteen million dollars (\$15,000,000) is hereby appropriated from the General Fund to the Controller for allocation to the State Department of Education for the Broadband Infrastructure Grant Program to improve broadband connectivity at California local educational agencies and improve digital learning opportunities for students. This funding shall be available for encumbrance until June 30, 2024.

(b) The Department shall contract with the Corporation for Education Network Initiatives in California to identify external broadband connectivity solutions that provide fiber broadband connectivity to the most poorly connected schoolsites to allow digital learning opportunities for students.

(c) Broadband connectivity solutions identified by the Corporation for Education Network Initiatives in California shall be approved by the Executive Director of the State Board of Education and the Department of Finance.

(d) Upon approval of identified solutions pursuant to subdivision (c), the State Department of Education shall release the necessary funding to the Corporation for Education Network Initiatives in California to implement the approved broadband connectivity solutions.

(e) Of the funds appropriated in subdivision (a), up to one hundred thousand dollars (\$100,000) shall be available annually for the State Department of Education to administer the Broadband Infrastructure Grant Program.

(f) Of the funds appropriated in subdivision (a), up to one million dollars (\$1,000,000) shall be available annually for administrative costs for the Corporation for Education Network Initiatives in California to identify and implement broadband infrastructure solutions pursuant to this section.

(e) The Corporation for Education Network Initiatives in California may collaborate with the K-12 High-Speed Network, as needed, to meet the requirements of this section.

(f) All broadband connectivity solutions identified by the Corporation for Education Network Initiatives in California pursuant to this section shall maximize E-rate subsidies and California Teleconnect Fund subsidies.

(g) Any E-rate subsidies and California Teleconnect Fund subsidies received by the Corporation for Education Network Initiatives in California as a result of broadband connectivity solutions pursuant to this section shall be used for additional broadband connectivity solutions pursuant to subdivision (b).

Educator Workforce Investment Grant

Add uncodified language as follows:

(New for May Revision)

(a) For the 2019–20 fiscal year, the sum of thirty-four million eight hundred thousand dollars (\$34,800,000) is hereby appropriated from the General Fund to the State Department of Education to allocate in a manner consistent with subdivision (b) to coordinate and support professional learning opportunities for educators across the state.

(b) (1) Of the funds appropriated in subdivision (a), two hundred fifty thousand dollars (\$250,000) is available each fiscal year through 2022-23, and one position is authorized within the State Department of Education, to support the activities authorized pursuant to subdivision (d).

(2) Of the funds appropriated in subdivision (a), thirty-three million eight hundred thousand dollars (\$33,800,000) is available through the 2022-23 fiscal year to provide one or more grants consistent with subdivision (d).

(c) The California Computer Science Coordinator is hereby created in the State Board of Education to provide statewide coordination in implementing the Computer Science Content Standards, supporting activities funded pursuant to this section, and leading the implementation elements of the computer science strategic implementation plan that are adopted by the Legislature, following its adoption by the State Board of Education.

(d) (1) The Educator Workforce Investment Grant is hereby established to support one or more competitive grants for professional learning opportunities for teachers and paraprofessionals across the state.

(2) The State Department of Education and the California Collaborative for Educational Excellence shall establish a process, administered by the department, to select, subject to approval by the executive director of the state board, one or more institutions of higher education or nonprofit organizations with expertise in developing and providing professional learning to teachers and paraprofessionals in public schools serving kindergarten and grades 1 through 12, inclusive, to conduct the activities described in paragraph (3) in a manner that aligns with the statewide system of support pursuant to Article 4.5 (commencing with Section 52059.5) of Chapter 6.1 of Part 28 of Division 4 of Title 2 of the Education Code. The State Department of Education shall give positive consideration to applicants that propose to partner with a county office of education or consortium of county offices of education.

(3) The State Department of Education and the California Collaborative for Educational Excellence shall ensure that the entities selected pursuant to paragraph (2) are able, collectively, to deliver professional learning for teachers and paraprofessionals statewide within all of the following areas:

(A) Inclusive practices for general education and special education settings, including a universal design for learning to help educators teach all students regardless of ability.

(B) Strategies to support social-emotional learning.

(C) Practices to create a positive school climate, including restorative justice.

(D) Strategies for providing high-quality instruction and computer science learning experiences aligned to the Computer Science Content Standards.

(4) In developing the process for selecting grantees, the State Department of Education and the California Collaborative for Educational Excellence shall, to the greatest extent practicable, coordination among the grantees and the subject matter projects authorized pursuant to Article 1 (commencing with Section 99200) of Chapter 5 of Part 65 of Division 14 of Title 3 of the Education Code.

(e) By March 15 of each year, the State Department of Education and the California Collaborative for Educational Excellence shall report to the appropriate policy and fiscal committees of the Legislature, the Department of Finance, and the Governor on the process for awarding grants, the name of each grant recipient, the amount awarded to each grant recipient, the activities provided with grant funds, and, if available, the number of schools served and the number of educators served.

Classified School Employee Summer Assistance Program

Add uncoded language as follows

(New for May Revision)

(a) The sum of thirty-six million dollars (\$36,000,000), is hereby appropriated to the Controller for allocation by the State Department of Education for the Classified School Employee Summer Assistance Program.

(b) The Classified School Employee Summer Assistance Program shall provide a participating classified employee up to one dollar (\$1) for each one dollar (\$1) that the classified employee has elected to have withheld from his or her monthly paychecks pursuant to this section.

(c) For the 2020-21 school year, a local educational agency may elect to participate in the Classified School Employee Summer Assistance Program. A participating local educational agency shall notify classified employees by January 1, 2020, that the local educational agency has elected to participate in the Classified School Employee Summer Assistance Program for the next school year. Once a local educational agency elects to participate in the Classified School Employee Summer Assistance Program and notifies classified employees pursuant to this subdivision, the local educational agency is prohibited from reversing its decision to participate in the Classified School Employee Summer Assistance Program for the 2020-21 school year.

(d) (1) A classified employee that elects to participate in the Classified School Employee Summer Assistance Program shall notify the local educational agency, in writing, by March 1, 2020, on a form developed by the State Department of Education that he or she wishes to participate in the Classified School Employee Summer Assistance Program for the 2020-21 school year. The classified employee shall specify the amount to be withheld from his or her monthly paychecks during the 2020-21 school year and whether he or she chooses to have the amounts withheld paid out during the summer recess period in one or two payments. A participating classified employee may elect to have up to 10 percent of his or her monthly pay withheld during the school year.

(2) A classified employee shall be eligible to participate in the Classified School Employee Summer Assistance Program if the classified employee has been employed with the local educational agency for at least one year at the time the classified employee elects to participate in the Classified School Employee Summer Assistance Program.

(3) A classified employee shall be eligible to participate in the Classified School Employee Summer Assistance Program if the classified employee is employed by the local educational agency for fewer than 12 months per fiscal year.

(4) A classified employee shall not be eligible to participate in the Classified School Employee Summer Assistance Program if the classified employee's regular annual pay received directly from the local educational agency is more than two times the full-time pay of a classified employee, paid at the state minimum wage for an entire school year, at the time of enrollment. For purposes of determining a classified employee's regular annual pay received directly from the local educational agency, the employing local educational agency shall exclude any pay received by the classified employee during the summer recess period of the previous fiscal year. For purposes of this section, "summer recess period" means the period that regular class sessions are not being held by a local educational agency during the months of June, July, and August.

(e) A local educational agency that elects to participate in the Classified School Employee Summer Assistance Program shall notify the State Department of Education in writing, by April 1, 2020, on a form developed by the State Department of Education that it has elected to participate in the Classified School Employee Summer Assistance Program. The local educational agency shall specify the number of classified employees that have elected to participate in the Classified School Employee Summer Assistance Program and the total estimated amount to be withheld from participating classified employee paychecks for the 2020-21 school year.

(f) The State Department of Education shall notify participating local educational agencies in writing, by May 1, 2020, of the estimated amount of state match funding that a participating classified employee can expect to receive as a result of participating in the Classified School Employee Summer Assistance Program. If the funding provided pursuant to subdivision (a) is insufficient to provide one dollar (\$1) for each one dollar (\$1) that has been withheld from participating classified employee monthly paychecks, the State Department of Education shall notify local educational agencies of the expected prorated amount of state match funds that a

participating classified employee can expect to receive as result of participating in the Classified School Employee Summer Assistance Program.

(g) Participating local educational agencies shall notify participating classified employees by June 1, 2020, the amount of estimated state match funds that a participating classified employee can expect to receive as a result of participating in the Classified School Employee Summer Assistance Program. After receiving that notification, a classified employee may withdraw his or her election to participate in the Classified School Employee Summer Assistance Program or reduce the amount to be withheld from his or her paycheck pursuant to paragraph (1) of subdivision (d) by notifying his or her employing local educational agency no later than 30 days after the start of the school year.

(h) The local educational agency shall deposit the amounts withheld from participating classified employee monthly paychecks in accordance with the choices made by each participating classified employee pursuant to subdivision (d) in a separate account.

(i) A classified employee that separates from employment with a local educational agency during the 2020-21 school year may request from the local educational agency any pay withheld from his or her paycheck pursuant to this section. However, the classified employee shall not be entitled to receive any state match funds provided pursuant this section.

(j) Participating local educational agencies shall request payment from the State Department of Education on or before July 31, 2021, on a form developed by the State Department of Education, for the amount of classified employee pay withheld from the monthly paychecks of participating classified employees and placed in a separate account pursuant to subdivision (h).

(k) The State Department of Education shall apportion funds to participating local educational agencies within 30 days of receiving a request for payment by the participating local educational agency pursuant to subdivision (j). The apportionment shall be determined for each local educational agency by the State Department of Education on the basis of the amount that has been withheld from the monthly paychecks of participating classified employees and placed in a separate account pursuant to subdivision (h).

(l) If the total amount requested by participating local educational agencies exceeds the amount appropriated pursuant to subdivision (a), the State Department of Education shall prorate the amount apportioned to participating local educational agencies accordingly, consistent with the determination made pursuant to subdivision (f).

(m) The participating local educational agency shall pay participating classified employees the amounts withheld in accordance with the classified employee's choices, plus the amount apportioned by the State Department of Education that is attributable to the amount withheld from that classified employee's paychecks during the school year. This amount shall be paid to the participating classified employee during the summer recess period, in either one or two payments, in accordance with the classified employee's option pursuant to subdivision (d).

(n) The state match funding received by participating classified employees pursuant to this section shall not be considered compensation for the purposes of determining retirement benefits for the California Public Employees' Retirement System or the California State Teachers' Retirement System.

(o) For purposes of this section, "local educational agency" means a school district or county office of education.

(p) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 2009-10 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2009-10 fiscal year.

May 9, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Item 6120-011-0001, Support, and Addition of
Item 6120-217-0001, Local Assistance, Trailer Bill Language, California State Library**

Digital Concierge Services and Cultural Historic Preservation (Issue 409)—It is requested that Item 6120-011-0001 be increased by \$1,737,000, of which \$700,000 is one-time, to support 3 positions that would establish a team providing digital concierge archival services for state entities and conduct a statewide survey to inventory cultural heritage assets. With these funds the State Library would be able to preserve important recordings, government documents, maps, and other items of cultural significance and create a census of thousands of rare books, film, photographs, and other artifacts to ensure these items are cared for and housed appropriately.

Mobile Libraries (Issue 404)—It is requested that Item 6120-217-0001 be added in the amount of \$3 million to support grants to local libraries to acquire bookmobiles and community outreach vehicles. Grants would be prioritized toward libraries with low per capita spending and a demographic need for mobile services based on geographic and demographic factors. Bookmobiles and community outreach vehicles would enable local libraries to expand community access to library materials.

Early Learning and After-School Programs (Issue 408)—It is also requested that Item 6120-217-0001 be added in the amount of \$5 million to support grants to local library jurisdictions to implement early learning and after-school library programs. Grants would be prioritized toward library jurisdictions with low per capita library spending.

**Support for Statewide Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ)
Historical Preservation (Issue 410)**—It is further requested that Item 6120-217-0001 be added in the amount of \$500,000 one-time to provide support for the preservation of historical LGBTQ sites.

California State Law Library Account Sunset Extension (Issue 405)—It is requested that trailer bill language be amended to extend the sunset date for the revenue transfer supporting the California State Law Library Special Account from January 1, 2020 to January 1, 2025 (see Attachment 1).

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

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

KEELY MARTIN BOSLER

Director

By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN

Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Greg Lucas, State Librarian, California State Library
Ms. Elizabeth Vierra, Administrative Services Bureau Chief, California State Library
Mr. Kevin Driskill, Administrative Services Bureau Fiscal, California State Library

Section 68926.3 of the Government Code is amended to read:

"68926.3. (a) Notwithstanding any other law, sixty-five dollars (\$65) of each fee collected in a civil case by the clerk of each court of appeal pursuant to subdivision (a) of Section 68926 shall be paid into the State Treasury for deposit in a special account in the General Fund to be known as the California State Law Library Special Account, which account is hereby established.

(b) Moneys deposited in the California State Law Library Special Account shall be available for the support of the California State Law Library upon appropriation thereto by the Legislature in the annual Budget Act.

(c) This section shall remain in effect only until January 1, ~~2020~~ 2025, and as of that date, is repealed, unless a later statute that is enacted before that date extends or repeals that date."



May 9, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Trailer Bill Language, School Facilities Aid Program

Full-Day Kindergarten Facilities Grant Program (Issue 402)—It is requested that trailer bill language be amended to reflect the following revisions: (1) decrease the fiscal year 2019-20 appropriation for the program by \$150 million General Fund to reflect alternative funding priorities, (2) enable newly appropriated funds to be available for expenditure over a three-year period, (3) limit grants during the first two years to schools that would use the grant funding exclusively to convert from part-day to full-day kindergarten programs, and (4) increase the state share of the facility grant from 50 percent to 75 percent for schools converting from part-day to full-day kindergarten programs (see Attachment 1).

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 Maritza Urquiza, Principal Program Budget Analyst, at (916) 445-0328.

KEELY MARTIN BOSLER
Director
By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Lisa Silverman, Executive Officer, Office of Public School Construction
Ms. Barbara Kampmeier, Deputy Executive Officer, Office of Public School Construction

Amendment to Section 4 of RN 19 11192 (changes are in bold)

SEC. 4. 17375 of the Education Code is amended to read:

"17375. (a) ~~For~~ (1) The Full-Day Kindergarten Facilities Grant Program is hereby established, under the administration of the State Allocation Board pursuant to the requirements of this section, to provide one-time grants to school districts to construct new school facilities or retrofit existing school facilities for the purpose of providing full-day kindergarten classrooms pursuant to Section 8973.

(2) Moneys appropriated pursuant to this section shall be deposited in the Full-Day Kindergarten Facilities Account, hereby created in the State Treasury, administered by the State Allocation Board.

(3) For the 2018–19 fiscal year, the sum of one hundred million dollars (\$100,000,000) is hereby appropriated from the General Fund to the State Allocation Board to provide one-time grants to school districts to construct new school facilities or retrofit existing school facilities for the purpose of providing full-day kindergarten classrooms pursuant to Section 8973. Funds appropriated pursuant to this subdivision shall be deposited in the Full-Day Kindergarten Facilities Account, hereby created in the State Treasury, administered by the State Allocation Board. The grant program shall be administered by the State Allocation Board, as specified in this section.

(4) (A) For the 2019–20 fiscal year, the sum of **seven hundred fifty six hundred** million dollars (~~\$750,000,000~~ **\$600,000,000**) is hereby appropriated from the General Fund to the State Allocation Board to provide one-time grants as specified in this section. **These funds shall be available for encumbrance or expenditure by the State Allocation Board until June 30, 2022.**

(B) (i) Of the moneys allocated to a school district from the appropriation made pursuant to this paragraph, savings and interest achieved upon full completion of an approved project, and as a result of a school district's efficient and prudent expenditure of the moneys allocated, may be used for professional development or instructional materials to build capacity for the implementation of a full-day kindergarten program, or high priority capital outlay purposes identified by the school district and in accordance with subdivision (f), associated regulations, and any accompanying grant agreement.

(ii) Notwithstanding any other law, for purposes of the funds appropriated by this paragraph only, a school district may retain and use savings and interest pursuant to clause (i) even if it receives financial hardship assistance pursuant to Section 17075.10.

(iii) **Savings and interest retained must be expended within one year of project completion or returned to the state as defined by associated regulations and any accompanying grant agreement.**

(C) **For purposes of this section and for the 2019-20 and 2020-21 fiscal years, funds appropriated in this paragraph shall be limited to school sites that did not offer a full-day kindergarten program as of July 1, 2019, and will use the funding to convert a part-day kindergarten program to a full-day kindergarten program. For any funds remaining after the 2020-21 fiscal year, this provision shall not apply.**

(5) **For purposes of this section, kindergarten includes transitional kindergarten as specified in Section 48000.**

(b) (1) The State Allocation Board shall award grants to school districts that lack the facilities to provide full-day kindergarten as required for eligibility pursuant to Sections 17071.25 and 17072.10 or that lack facilities that satisfy the design requirements required for new kindergarten classrooms as specified in paragraph (2) of subdivision (h) of Section 14030 of Title 5 of the California Code of Regulations.

(2) Priority for grants shall be given to school districts that meet either of the following criteria:

(A) The school district is financially unable to contribute a portion of, or all of, the local matching share required pursuant to paragraph (3), and meets the requirements for financial hardship pursuant to Section 17075.10.

(B) The school district is located in an underserved community with a high population of pupils who are eligible for free or reduced-price meals pursuant to Section 42238.01.

(3) Except for school districts that meet the requirements for financial hardship pursuant to Section 17075.10 and as specified in paragraph (4), a school district that applies for a grant pursuant to this section for new construction shall provide 50 percent of the cost of the project, and a school district that applies for a grant pursuant to this section for a retrofit project shall provide 40 percent of the cost of the project.

(4) Except for school districts that meet the requirements for financial hardship pursuant to Section 17075.10, school districts that will convert a part-day kindergarten program to a full-day kindergarten program shall provide 25 percent of the cost of the project whether the project is for new construction or retrofit. Any districts that were awarded a grant from funds appropriated pursuant to paragraph (3) of subdivision (a) of this section and met the requirements of this paragraph, shall have their grant amount adjusted from funds appropriated pursuant to paragraph (4) of subdivision (a) of this section to reflect this local match requirement.

(5) (4) A school district seeking a grant from moneys in the Full-Day Kindergarten Facilities Account shall provide the Office of Public School Construction with schoolsite enrollment data for the year in which its application is processed and the three immediately preceding years. The Office of Public School Construction shall use this data to verify the schoolsite's overall need for funding pursuant to this section based on the schoolsite's enrollment patterns. As part of this verification, the Office of Public School Construction, in consultation with the Department of Education, shall determine if the schoolsite's need for funding shall be limited to retrofit projects.

(c) ~~(1)~~ The State Allocation Board shall release disbursements of grant funds to school districts with approved applications for new construction or retrofit projects, to the extent funds are available for the state's applicable 50 percent matching share, if the school district has provided its applicable 50 percent local matching share, unless the school district meets the requirements for financial hardship pursuant to Section 17075.10, and upon certification by the school district that the school district has entered into a binding contract for completion of the approved project.

~~(2) The State Allocation Board shall release disbursements of grant funds to school districts with approved applications for retrofit projects, to the extent funds are available for the state's 60 percent matching share, if the school district has provided its 40 percent local matching share, unless the school district meets the requirements for financial hardship pursuant to Section 17075.10, and upon certification by the school district that the school district has entered into a binding contract for completion of the approved project.~~

(d) The State Allocation Board shall allocate funds to school districts using the same maximum grant eligibility amounts that are used for purposes of the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10), as set forth in Sections 17072.10 and 17072.11 for new construction, and as set forth in Section 17074.10 for retrofit projects.

(e) As a condition of receiving grant funds pursuant to this section, and before the release of those funds, the school district shall execute and submit a grant agreement consistent with the

applicable sections of the grant agreement specified in Section 1859.90.4 of Title 2 of the California Code of Regulations.

(f) (1) A school district may use grant funds awarded for new construction on costs necessary to adequately house kindergarten pupils in an approved project, which may include only the following:

(A) The costs of design, engineering, testing, inspections, plan checking, construction management, site acquisition and development, evaluation and response action costs relating to hazardous substances at a new or existing schoolsite, demolition, construction, landscaping, necessary utility costs, utility connections and other related fees, equipment including telecommunication equipment to increase school security, furnishings, the upgrading of electrical systems, and the wiring or cabling of classrooms in order to accommodate educational technology.

(B) The costs of acquiring an existing government-owned or privately owned building, or a privately financed school building, and the necessary costs of converting the government-owned or privately owned building for public school use.

(2) (A) A school district may use grant funds awarded for a retrofit project to retrofit an existing school facility to adequately house kindergarten pupils, which may only include the costs of design, engineering, testing, inspection, plan checking, construction management, demolition, construction, necessary utility costs, utility connection and other related fees, the purchase and installation of air-conditioning equipment and insulation materials and related costs, furniture and equipment, including telecommunication equipment to increase school security, fire safety improvements, playground safety improvements, the identification, assessment, or abatement of hazardous asbestos, seismic safety improvements, the upgrading of electrical systems, and the wiring or cabling of classrooms in order to accommodate educational technology.

(B) Grant funds awarded for a retrofit project shall not be used for costs associated with acquisition and development of real property or for routine maintenance and repair.

(g) The State Allocation Board may adopt regulations to implement this section. Any regulations adopted pursuant to this section may be adopted as emergency regulations in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of the Title 2 of the Government Code). The adoption of these regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare.

(h) Notwithstanding any other law, a school district shall be subject, with regard to this section, to audit conducted pursuant to Section 41024.

(i) The Office of Public School Construction shall report to the Director of Finance, and shall post on its ~~Internet Web site~~, internet website, information regarding the use of grant funds that have been made available to school districts during each the-fiscal year grant funds are disbursed pursuant to this section. **A final report shall also be issued after projects have been audited pursuant to Section 41024 and any savings have been spent or returned to the state.**

(j) The Department of General Services may charge its administrative costs against the Full-Day Kindergarten Facilities Account, which shall be subject to the approval of the Department of Finance and which shall not exceed 2.5 percent of the account.

(k) Funds made available to school districts pursuant to this article shall supplement, not supplant, existing funds available for school facilities construction."



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

GAVIN NEWSOM - GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 9, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

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

It is requested that Schedule (1) of Item 6360-001-0407 be increased by \$52,000 Teacher Credentials Fund and 3 positions and Schedule (2) of Item 6360-001-0407 be decreased by \$52,000 Teacher Credentials Fund to reflect a funding shift to support 3 ongoing positions for teacher discipline investigations. The Commission on Teacher Credentialing is currently budgeted to receive \$285,000 Teacher Credentials Fund through June 30, 2021 to support teacher discipline investigations; however, the Commission did not receive new positions with this temporary funding. The funding shift of \$52,000 Teacher Credentials Fund and the temporary funding of \$285,000 Teacher Credentials Fund provides \$337,000 Teachers Credential Fund to support the 3 ongoing positions. The ongoing positions will allow the Commission to continue to investigate teacher discipline cases prior to submitting them to the Office of the Attorney General, which represents the Commission at teacher discipline hearings administered by the Office of Administrative Hearings.

This request results in a net zero change to the Commission's budget because the positions will initially be funded primarily with temporary funding provided for teacher discipline investigations, and the positions will ultimately be funded with existing resources budgeted for the Office of the Attorney General's legal services that are not fully expended.

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

"8. Of the funds appropriated in Schedule (1), ~~\$285,000~~ \$337,000 and 3.0 positions ~~is available through June 30, 2021,~~ are available for investigations of teacher misconduct cases."

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 Ed Hanson, Principal Program Budget Analyst, at (916) 445-0328.

KEELY MARTIN BOSLER

Director

By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN

Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Mary Sandy, Executive Director, Commission on Teacher Credentialing
Ms. Michele Perrault, Director, Administrative Services Division, Commission on Teacher Credentialing
Ms. Elizabeth Hambridge, Manager, Fiscal and Business Services, Commission on Teacher Credentialing



**DEPARTMENT OF
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OFFICE OF THE DIRECTOR

GAVIN NEWSOM - GOVERNOR
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May 9, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Items 6440-001-0001 and 6440-001-0234, Support,
University of California**

Retirement Program—It is requested that Item 6440-001-0001 be increased by \$25 million one-time to support the University of California (UC) Retirement Plan.

It is further requested that Provision 6.2 be added to Item 6440-001-0001 as follows to conform to this action:

- 6.2. (a) Of the funds appropriated in this item, \$25,000,000 shall be available on a one-time basis to support the University of California Retirement Plan.
- (b) The funds appropriated pursuant to this provision shall be used only for unfunded liabilities of the University of California Retirement Plan.
- (c) The Regents of the University of California shall submit a report to the Director of Finance and, in conformity with Section 9795 of the Government Code, to the Legislature demonstrating that the funds have been used to supplement and not supplant funds otherwise available to pay for unfunded liabilities of the University of California Retirement Plan.
- (d) Funds appropriated for the purposes of this Provision do not constitute an obligation on behalf of the state to appropriate any funds in subsequent years for any costs of the University of California Retirement Plan.

Dyslexia Early Intervention Pilot Program—It is requested that Item 6440-001-0001 be increased by \$3.5 million to provide support for a dyslexia screening and early intervention pilot program operated by the UC San Francisco Dyslexia Center.

It is further requested that Provision 6.3 be added to Item 6440-001-0001 as follows to conform to this action:

6.3. Of the funds appropriated in this item, \$3,500,000 shall be available on a one-time basis to the University of California San Francisco Dyslexia Center to support a dyslexia screening and early intervention pilot program.

Support for Rapid Rehousing—It is requested that Item 6440-001-0001 be increased by \$3.5 million to provide support for rapid rehousing of homeless and housing insecure students.

It is further requested that Provision 6.4 be added to Item 6440-001-0001 as follows to conform to this action:

6.4. Of the funds appropriated in this item, \$3,500,000 shall be available to support rapid rehousing efforts assisting homeless and housing insecure students.

University of California Facilities Need Study—It is requested that Provision 6 of Item 6440-001-0001 be amended to enable UC to use up to \$5 million of proposed deferred maintenance funding to support the UC's facilities need study.

Specific amendments are proposed in the following language:

“6. Of the funds appropriated in this item, \$138,000,000 shall be expended to address deferred maintenance projects that represent critical infrastructure deficiencies. Of this amount, up to \$5,000,000 may be used to support an assessment of UC's facilities needs. The amount allocated shall be available for encumbrance or expenditure until June 30, 2022.”

Support for Student Hunger and Homelessness Programs—It is requested that Provision 5.2 of Item 6440-001-0001 be amended to clarify the types of expenditures that UC is expected to support with the \$15 million allocated for student hunger and homelessness programs.

Specific amendments are proposed in the following language:

“5.2. Of the funds appropriated in this item, \$15,000,000 shall be available to ~~address student hunger and homelessness.~~ support meal donation programs, food pantries serving students, CalFresh enrollment, and other means of directly providing nutrition assistance to students. The funds shall also be used to assist homeless and housing-insecure students secure stable housing.”

Tobacco-Related Disease Research—It is requested that Item 6440-001-0234 be increased by \$1,274,000 to align with revised estimates of available funding within the Research Account, Cigarette and Tobacco Products Surtax Fund. The funds in the account are only available for appropriation for tobacco-related disease research. The Governor's Budget includes \$10,162,000 for the program. Based on revenue estimates for the May Revision, the appropriation should be \$11,436,000.

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

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

KEELY MARTIN BOSLER

Director

By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN

Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Nathan Brostrom, Executive Vice President and Chief Financial Officer, University of California Office of the President
Mr. Kieran Flaherty, Deputy to the Chief Financial Officer, University of California Office of the President
Mr. David Alcocer, Interim Associate Vice President, Budget Analysis and Planning, University of California Office of the President



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

GAVIN NEWSOM - GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 9, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

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

It is requested that Item 6600-001-0001 be increased by \$594,000 to provide support for implementation of the University of California Payroll, Accounting, Timekeeping, and Human Resources system.

It is further requested that Provision 3 of Item 6600-001-0001 be amended to authorize the use of deferred maintenance funds for information technology and instructional equipment upgrades.

Specific amendments are proposed in the following language:

“3. Of the amount provided in this item, \$1,000,000 ~~shall be expended to address~~ is available for deferred maintenance projects that represent critical infrastructure deficiencies ~~and for replacement of instructional equipment and technology~~. The funds used for instructional equipment and technology shall not be used for personal services costs or operating expenses. The amount allocated shall be available for encumbrance or expenditure until June 30, 2022.”

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

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

KEELY MARTIN BOSLER
Director
By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. David Seward, Chief Financial Officer, Hastings College of the Law
Ms. Carol Cole, Budget Officer, Hastings College of the Law



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

GAVIN NEWSOM - GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 9, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Item 6610-001-0001, Support, and Trailer Bill Language,
California State University**

Support for Rapid Rehousing—It is requested that Item 6610-001-0001 be increased by \$6.5 million to provide support for rapid rehousing of homeless and housing insecure students.

It is further requested that Provision 1.6 be added to Item 6610-001-0001 as follows to conform to this action:

1.6. Of the funds appropriated in this item, \$6,500,000 shall be available to support rapid rehousing efforts assisting homeless and housing insecure students.

Support for Project Rebound—It is requested that Item 6610-001-0001 be increased by \$750,000 to provide further support for Project Rebound. Project Rebound is a California State University (CSU) program that provides assistance to formerly incarcerated individuals seeking to enroll in participating CSU campuses.

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

“1.4. Of the funds appropriated in this item, ~~\$250,000~~ \$1,000,000 is provided to support Project Rebound.”

CSU Study of a Potential Campus in San Joaquin County—It is requested that Item 6610-001-0001 be increased by \$2 million to support the review of a potential campus in San Joaquin County. It is further requested that Provision 1.5 of Item 6610-001-0001 be amended to further identify the issues that would be considered within the report.

It is requested that subdivision (c) be added to Provision 1.5 of this as follows to conform to this action:

1.5 (c) \$2,000,000 for the California State University Chancellor’s Office to undertake a review of a potential California State University campus in San Joaquin County. The California State University Chancellor’s Office shall report to the Director of Finance and the Chairperson of the

Joint Legislative Budget Committee by July 1, 2020, on the potential need for a California State University campus located in San Joaquin County. The report shall, at a minimum, include:

- (1) Anticipated benefits of a California State University campus in San Joaquin County, including benefits to local students, the regional economy, and students across the state.
- (2) Information on how a potential campus in San Joaquin County would affect the long-term plans of the California State University Board of Trustees, including:
 - (A) Projected enrollment demand from local public and private high schools,
 - (B) Projected enrollment demand from local community colleges, and
 - (C) Estimated effects on existing California Community College, California State University, and University of California campuses.
- (3) Impacts of a potential San Joaquin County campus on the California State University's capital expenditure debt limitations pursuant to Education Code Section 89773.
- (4) An initial identification of sites available for the potential campus.
- (5) A timeline for the development of the potential campus, including timeframes when, at minimum:
 - (A) Potential campus sites would be approved for an Environmental Impact Report.
 - (B) A Capital Outlay Plan would be submitted to the Department of Finance for review.
 - (C) A President would be chosen for the campus.
 - (D) A curriculum would be developed that places a focus on graduating first-time freshmen students in four years and transfer students in two years.
 - (E) Staff and faculty would be hired.
 - (F) The campus would be expected to start enrolling new students.
- (6) A description of how a campus in San Joaquin County is expected to affect the California State University's automatic redirection policies established pursuant to Chapter 14 of the Statutes of 2017.
- (7) An enrollment plan for the new university that incorporates the long-range enrollment projection needs of the state.
- (8) Initial estimates of the potential campus' financial cost, including one-time capital outlay and ongoing operational expenses.

Support for a First Star Foster Youth Cohort at CSU Sacramento—It is requested that Item 6610-001-0001 be increased by \$740,000 one-time to provide support a First Star Foster Youth Program Cohort at CSU Sacramento. This program would enable a cohort of foster youth to engage in a variety of activities that support learning opportunities that may include academic courses for college credit, social and cultural activities, service learning, and other recreational activities.

It is requested that subdivision (d) be added to Provision 1.5 of this as follows to conform to this action:

1.5. (d) Of the funds appropriated in this item, \$740,000 is provided to support First Star Foster Youth Program Cohort at CSU Sacramento.

Ten-Year Vesting for Health and Dental Benefits—It is requested that trailer bill language be added to align the vesting period for certain CSU employees' health and dental benefits with recently approved collective bargaining agreements with the employees. It is requested that Government Code sections 22874.8 and 22958.5 be added (see Attachment 1).

Retiree Census Data—It is requested that trailer bill language be added to authorize the California Public Employees' Retirement System to provide retiree census data to the CSU, thereby enabling the CSU to contact retired state employees to inform them about benefits

(dental, vision, and group legal services) available to them during open enrollment. Chapter 53, Statutes of 2018 (SB 866), authorized the same information to be shared with the Department of Human Resources for the same purpose. No sensitive personal information (e.g., social security numbers) would be exchanged. It is requested that Government Code sections 22956 and 22959.83 be amended (see Attachment 2).

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

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

KEELY MARTIN BOSLER
Director
By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN
Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
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Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Steve Relyea, Executive Vice Chancellor, California State University Office of the Chancellor
Mr. Ryan Storm, Assistant Vice Chancellor, California State University Office of the Chancellor
Ms. Kara Perkins, Executive Budget Director, California State University Office of the Chancellor

SECTION 1. Section 22874.8 is added to the Government Code to read:

22874.8. (a) Notwithstanding Section 22870, an employee who is first employed by the California State University and becomes a member of the system on or after July 1, 2019, and is represented by California State University Bargaining Unit 11, shall not receive any portion of the employer contribution payable for annuitants unless the person has 10 years of credited state service at the time of retirement.

(b) This section shall apply only to employees of the California State University who retire for service.

(c) This section shall become operative only if it is specifically adopted by regulation of the Trustees of the California State University or, if required, provided for in a memorandum of understanding reached pursuant to Chapter 12 (commencing with Section 3560) of Division 4 of Title 1.

SECTION 2. Section 22958.5 is added to the Government Code to read:

22958.5. (a) Notwithstanding Sections 22953 and 22957, an employee who is first employed by the California State University and becomes a member of the system on or after July 1, 2019, and is represented by California State University Bargaining Unit 11 shall not receive any portion of the employer contribution payable for annuitants unless the person has 10 years of credited state service at the time of retirement.

(b) This section shall apply only to employees of the California State University who retire for service.

(c) This section shall become operative only if it is specifically adopted by regulation of the Trustees of the California State University or, if required, provided for in a memorandum of understanding reached pursuant to Chapter 12 (commencing with Section 3560) of Division 4 of Title 1.

SECTION 1. Section 22956 of the Government Code is amended to read:

“22956. (a) An annuitant who retires from the state may enroll in a dental care plan offered under this part, provided either of the following apply:

(1) The annuitant is not enrolled in a health benefit plan or a dental care plan, but was eligible for enrollment as an employee at the time of separation for retirement, and who retired within 120 days of the date of separation.

(2) The annuitant is receiving an allowance pursuant to Article 6 (commencing with Section 9359) of Chapter 3.5 of Part 1 of Division 2.

(b) The board has no duty to locate or notify any annuitant who may be eligible to enroll, or to provide names or addresses to any person, agency, or entity for the purpose of notifying those annuitants.

(c) Notwithstanding any other law, including subdivision (b), the board shall assist the California State University upon request by providing retiree names and addresses to the California State University solely for the purpose of notifying those retirees of eligibility for enrollment into the dental care plan offered by the California State University under this part. Any information provided to the California State University shall be treated as confidential by the California State University.”

SECTION 2. Section 22959.83 of the Government Code is amended to read:

“22959.83. (a) An annuitant who retires from a California State University campus or the office of the chancellor may enroll in a vision care plan offered under this part, if any of the following apply:

(1) The annuitant was enrolled in a health benefit plan, a dental care plan, or vision care plan at the time of separation for retirement, and retired within 120 days of the date of separation.

(2) The annuitant was not enrolled in a health benefit plan, a dental care plan, or vision care plan at the time of separation for retirement, but was eligible for enrollment as an employee at the time of separation for retirement, and retired within 120 days of the date of separation.

(b) The California State University has no duty to locate or notify any annuitant who may be eligible to enroll, or to provide names or addresses to any person, agency, or entity for the purpose of notifying those annuitants.

(c) Notwithstanding any other law, the Board of Administration of the Public Employees' Retirement System shall assist the California State University upon request by providing retiree names and addresses to the California State University solely for the purpose of notifying those retirees of eligibility for enrollment into the vision care plan offered by the California State University under this part. Any information provided to the California State University shall be treated as confidential by the California State University.”

May 9, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Various Budget Bill Items, Support and Local Assistance, and Trailer Bill Language, Board of Governors of the California Community Colleges

Budget Year, Support

Item 6870-001-0001, Positions to Support the Chancellor's Office State Operations (Issue 452)—It is requested that Schedules (1) and (2) of Item 6870-001-0001 be increased by \$132,000 and \$249,000, respectively, to provide the Board of Governors of the California Community Colleges (Chancellor's Office) with 3 positions to support the Office's operations. The positions would support the Chancellor's Office's accounting office as well as efforts to monitor districts' fiscal health and provide technical assistance for districts in need.

Item 6870-001-0001, Outreach on Associate Degrees for Transfer (Issue 434)—It is requested that provisional language be amended for subdivision (a) of Provision 2 of Item 6870-001-0001 to require the Student Success Awareness Initiative to promote the Associate Degree for Transfer pathway as part of the outreach to students.

Specific amendments are proposed in the following language:

“(a) Of the funds appropriated in Schedule (1), \$5,000,000 is provided on a one-time basis to the Chancellor's Office of the California Community Colleges to create a Student Success Awareness Team-Initiative to support colleges in communicating with students information about the California College Promise, college costs, and career and transfer pathways, including the promotion of the Associate Degree for Transfer pathway. The Student Success Awareness Team-Initiative will be responsible for identifying information needs, developing resources that can be used locally, and providing professional development to practitioners. This funding shall be available for encumbrance or expenditure until June 30, 2022.”

Budget Year, Local Assistance

Item 6870-101-0001, Apportionments Cost-of-Living Adjustment (COLA) (Issue 403)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$18,287,000 to reflect a 3.26-percent COLA.

Item 6870-101-0001, Enrollment Growth Adjustment (Issue 401)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$1,257,000 to reflect a revised estimate of the cost to maintain a 0.55-percent enrollment growth target in fiscal year 2019-20.

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

“(1) Of the funds appropriated in Schedule (1), ~~\$25,984,000~~ \$24,727,000 shall be used to increase statewide growth of full-time equivalent students (FTES) by 0.55 percent.

(2) Of the funds appropriated in Schedule (1), ~~\$248,293,000~~ \$230,006,000 shall be used to reflect a cost-of-living adjustment of ~~3.46~~ 3.26 percent.”

Item 6870-101-0001, Hold Harmless for Student-Centered Funding Formula (Issue 457)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$50,633,000 to reflect a revised estimate of hold harmless funding for districts under the Student-Centered Funding Formula.

Item 6870-101-0001, Technical Base Apportionment Adjustments (Issue 431)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$99,795,000 to reflect various technical base apportionment adjustments.

Item 6870-101-0001, Net Offsetting Education Protection Account (EPA) Revenue (Issues 417 and 418)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$237,303,000 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, Net Offsetting Property Tax Revenue (Issues 419 and 421)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$76,673,000 to reflect a decrease 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, Offsetting Student Fee Revenue (Issues 422 and 424)—It is requested that Schedule (1) of Item 6870-101-0001 be decreased by \$15,667,000 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, Adjustment to California College Promise Program Funding (Issues 433 and 458)—It is requested that Schedule (1) of Item 6870-101-0001 be increased by \$5,216,000 to reflect an increase of \$2,608,000 to support the first year costs to sustain the California College Promise and an increase of \$2,608,000 to extend the California College Promise to a second academic year for participating students. These adjustments reflect revised estimates of the number of eligible students for the program.

It is further requested that subdivisions (d) and (e) of Provision 2 of this item be amended as follows to conform to this action:

“(d) Of the funds appropriated in Schedule (1), ~~\$39,961,000~~ \$42,569,000 shall be allocated to support the first academic year of the California College Promise pursuant to Article 3 (commencing with Section 76396) of Chapter 2 of Part 47 of Division 2 of Title 3 of the Education Code.

(e) Of the funds appropriated in Schedule (1), ~~\$39,961,000~~ \$42,569,000 shall be allocated to support extending the California College Promise to a second academic year, pursuant to Article 3 (commencing with Section 76396) of Chapter 2 of Part 47 of Division 2 of Title 3 of the Education Code."

Item 6870-101-0001, Apprenticeship Program COLA (Issue 405)—It is requested that Schedules (2) and (3) of Item 6870-101-0001 be decreased by \$89,000 and decreased by \$111,000, respectively, to align the projected related and supplemental instruction reimbursement rate with a revised estimate of the noncredit apportionment funding rate and COLA of 3.26 percent.

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

"3. (b) Pursuant to Section 79149.3 of the Education Code, the reimbursement rate shall be ~~\$6.47~~ \$6.45 per hour."

"4. (b) Pursuant to Section 8152 of the Education Code, the reimbursement rate shall be ~~\$6.47~~ \$6.45 per hour."

Item 6870-101-0001, Student Financial Aid Administration and Board Financial Assistance Program Funding (Issues 412 and 413)—It is requested that Schedule (5) of Item 6870-101-0001 be decreased by \$985,000 to reflect a decrease of \$490,000 for the Student Financial Aid Administration Program and a decrease of \$495,000 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.

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 ~~\$15,660,000~~ \$15,170,000 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 ~~\$15,832,000~~ \$15,337,000 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, Disabled Student Programs and Services Program COLA (Issue 407)—It is requested that Schedule (6) of Item 6870-101-0001 be decreased by \$241,000 to reflect a 3.26-percent COLA for the Disabled Student Programs and Services Program.

Item 6870-101-0001, Student Services for CalWORKs Recipients Program COLA (Issue 409)—It is requested that Schedule (7) of Item 6870-101-0001 be decreased by \$91,000 to reflect a 3.26-percent COLA for the Student Services for CalWORKs Recipients Program.

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

"(1) ~~\$9,506,000~~ \$9,488,000 is for child care, except that a community college district may request that the chancellor approve the use of funds for other purposes.

(2) No less than ~~\$5,070,000~~ \$5,060,000 shall be used to provide direct workstudy wage reimbursement for students served under this program, and ~~\$634,000~~ \$633,000 is available for campus job development and placement services."

Item 6870-101-0001, Increase Foster Care Education Program Funding (Issue 460)—It is requested that Schedule (8) of Item 6870-101-0001 be increased by \$400,000 to sustain program funding for foster and relative or kinship care education at current funding levels, due to a projected decrease of federal matching funds.

Item 6870-101-0001, Technical Adjustment for Realignment of Various Programs (Issue 400)—It is requested that Schedule (9) be decreased by \$25 million and Schedule (19) be increased by \$25 million to shift funding as a technical adjustment for the realignment of various programs within this item.

It is further requested that Schedule (9) be amended as follows to conform to this action:

(9) ~~5675039-Student Success and Support Program~~ 5675109-Institutional Effectiveness
..... ~~52,500,000~~ 27,500,000

It is further requested that paragraphs (1) and (2) of subdivision (a) of Provision 10 be eliminated and that subdivisions (e) and (f) be added to Provision 17 of this item as follows to conform to this action:

"(e) Consistent with the intent of Chapter 771 of the Statutes of 2014 and Chapter 772 of the Statutes of 2017, the chancellor shall enter into agreements with 20 community college districts to provide additional services in support of postsecondary education for foster youth. Up to \$20,000,000 of the funds shall be prioritized for services pursuant to Chapter 771 of the Statutes of 2014 and Chapter 772 of the Statutes of 2017. Further, the chancellor shall ensure that the list of eligible expenditures developed pursuant to subdivision (d) of Section 78221 of the Education Code includes expenditures that are consistent with the intent of Chapter 771 of the Statutes of 2014 and Chapter 772 of the Statutes of 2017.

(f) \$5,000,000 of the funds shall be for support of Veteran Resource Centers. To the extent funding is provided in the annual Budget Act, the Chancellor shall only allocate funding to community colleges that commit to either meeting or making progress towards meeting the minimum standards developed by the Chancellor's Office."

Item 6870-101-0001, Adjustment to California Community Colleges Strong Workforce Program Funding (Issue 459)—It is requested that Schedule (16) of Item 6870-101-0001 be increased by \$75,188,000 to support the program using ongoing resources rather than one-time resources.

It is further requested that paragraph (1) of subdivision (b) of Provision 14 of this item be amended as follows to conform to this action:

"(1) ~~\$171,380,000~~ \$246,568,000 shall be available to support the Strong Workforce Program pursuant to Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code."

Item 6870-101-0001, Extended Opportunity Programs and Services Program COLA (Issue 408)—It is requested that Schedule (18) of Item 6870-101-0001 be decreased by \$257,000 to reflect a 3.26-percent COLA for the Extended Opportunity Programs and Services Program.

It is further requested that paragraphs (1) and (2) of subdivision (a) of Provision 16 of this item be amended as follows to conform to this action:

“(1) ~~\$146,091,000~~ \$115,867,000 shall be used pursuant to Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. Funds provided in this item for Extended Opportunity Programs and Services shall be available to students on all campuses within the California Community Colleges system.

(2) ~~\$16,857,000~~ \$16,824,000 shall be used for funding, at all colleges, the Cooperative Agencies Resources for Education program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The chancellor shall allocate these funds to local programs on the basis of need for student services.”

Item 6870-101-0001, Campus Childcare Tax Bailout Program COLA (Issue 406)—It is requested that Schedule (20) of Item 6870-101-0001 be decreased by \$7,000 to reflect a 3.26-percent COLA for the Campus Childcare Tax Bailout Program.

Item 6870-108-0001, Increase the Student Success Completion Grant Funding (Issue 432)—It is requested that Item 6870-108-0001 be increased by \$7,498,000 to reflect a revised estimate of eligible Cal Grant B and Cal Grant C students for 2019-20.

Item 6870-201-0001, Adult Education Program COLA (Issue 404)—It is requested that Item 6870-201-0001 be decreased by \$1,043,000 to reflect a 3.26-percent COLA for the Adult Education Program.

It is further requested that Provision 3 of this item be amended as follows to conform to this action:

“3. Of the funds appropriated in this item, ~~\$18,046,000~~ \$17,003,000 is provided as a cost-of-living adjustment.”

Item 6870-296-0001, Mandate Block Grant Adjustment and COLA (Issues 410 and 411)—It is requested that Item 6870-296-0001 be decreased by \$1,276,000 to reflect a decrease of \$1,212,000 to align block grant funding with the revised estimate of applicable full-time equivalent students and a decrease of \$64,000 for a 3.26-percent COLA for the Mandate Block Grant program.

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

“1. The funds appropriated in this item are for transfer by the Controller to Section B of the State School Fund. Pursuant to Section 17581.7 of the Government Code, the funds appropriated in this item shall be distributed to community college districts that elect to participate in the block grant on the basis of funded full-time equivalent students (FTES) calculated as of the second principal apportionment for the 2018–19 fiscal year multiplied by ~~\$30.22~~ \$30.16 per FTES.”

Item 6870-488, Local Assistance, Reappropriation (Issues 435, 459 and 461)—It is requested that Item 6870-488 be amended (see Attachment 1) to reflect a decrease of \$36,619,000 in one-time Proposition 98 General Fund savings and to provide \$4,852,000 for one-time repair and maintenance of facilities and the replacement of instructional equipment and library materials, and to provide \$1,432,000 to support the California Community Colleges Strong Workforce Program.

Current and Prior Year

Item 6870-101-0001, 2018-19 Apportionment Adjustments to Reflect Revised Local Revenue Estimate—It is requested that trailer bill language transmitted with the Governor's Budget be amended to increase Schedule (1) of Item 6870-101-0001, Budget Act of 2018 by \$63,216,000 to reflect an associated decrease in revised offsetting local revenue estimates. It is also requested that corresponding adjustments be made to related non-Budget Act items (see Attachment 2).

Item 6870-101-0001, 2018-19 Net Offsetting EPA Revenue—It is requested that trailer bill language transmitted with the Governor's Budget be amended to decrease Schedule (1) of Item 6870-101-0001, Budget Act of 2018 by \$8,494,000 to reflect an associated increase in net offsetting EPA revenue. It is also requested that corresponding adjustments be made to related non-Budget Act items (see Attachment 2).

Item 6870-107-0001, 2018-19 Local District Financial Oversight and Evaluation—It is requested that trailer bill language be adopted to allow flexibility for the use of 2018-19 funds for local district financial oversight and evaluation as it relates to the provision of technical assistance, training, and short-term institutional research necessary to address existing or potential accreditation deficiencies (see Attachment 3).

2017-18 and 2018-19 Informational Offsetting Revenue Update—It is requested that non-Budget Act items be adjusted to reflect 2017-18 and 2018-19 informational offsetting local revenue and student fee revenue.

Trailer Bill Language

Extend Hold Harmless Protection for Student-Centered Funding Formula—It is requested that the Student-Centered Funding Formula trailer bill language transmitted with the Governor's Budget be revised to extend the hold harmless protection for districts by one year (see Attachment 4).

Informational

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

Finance estimates that property taxes totaling \$3,244,221,000 net of excess taxes will be available to offset district apportionments in 2019-20. This estimate excludes \$1,124,000 in estimated timber tax revenues.

Education Code section 84758 also requires Finance to notify the Legislature of the difference between the Chancellor's Office 2018-19 local property tax estimate, excluding timber taxes, and Finance's 2018-19 property tax estimates as of May 2018, excluding timber taxes.

The Chancellor's Office reported 2018-19 local property taxes of \$2,926,672,000, net of excess taxes and excluding timber taxes of \$999,000, as of the first principal apportionment payment. Finance's 2018-19 property tax estimate as of May 2018, was \$3,088,035,000 net of excess taxes and excluding timber taxes of \$867,000. Therefore, the Chancellor's Office's current property tax estimate based on first principal apportionment payments for 2018-19 is \$161,363,000 below Finance's May 2018 estimate.

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 Maritza Urquiza, Principal Program Budget Analyst, at (916) 445-0328.

KEELY MARTIN BOSLER

Director

By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN

Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Daisy Gonzales, Deputy Chancellor, California Community Colleges Chancellor's Office
Mr. Christian Osmeña, Vice Chancellor, California Community Colleges Chancellor's Office

Proposed Amendments to Budget Bill Item 6870-488

“6870-488—Reappropriation, Board of Governors of the California Community Colleges. Notwithstanding any other provision of law, the balances of the following items are available for reappropriation for the purposes specified in Provisions 1 through ~~10~~ and 2:

0001—General Fund

(1) ~~\$41,600,000-\$4,981,000~~ of whatever greater or lesser amount of the unexpended balance of the amounts appropriated for apportionments in Schedule (1) of Item 6870-101-0001 of the Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as amended by Ch. 33, Stats. 2018.

(2) \$310,000 of whatever greater or lesser amount of the unexpended balance of the amounts appropriated for Economic Development in Schedule (16) of Item 6870-101-0001 of the Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as amended by Ch. 33, Stats. 2018.

(3) \$48,000 of whatever greater or lesser amount of the unexpended balance of the amounts appropriated for Transfer Education and Articulation in Schedule (17) of Item 6870-101-0001 of the Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as amended by Ch. 33, Stats. 2018.

(4) \$378,000 of whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Fund for Student Success in Schedule (19) of Item 6870-101-0001 of the Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as amended by Ch. 33, Stats. 2018.

(5) \$49,000 of whatever greater or lesser amount of the unexpended balance of the amounts appropriated for the community college lease-purchase payments in Item 6870-103-0001 of the Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017).

(6) \$13,000 of whatever greater or lesser amount of the unexpended balance of the amount appropriated for reimbursement of state mandates in Item 6870-295-0001 of the Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017).

(7) \$505,000 of whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Community College Mandated Programs Block Grant in Item 6870-296-0001 of the Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017).

Provisions:

1. The sum of ~~\$42,903,000-\$1,432,000~~ is hereby reappropriated to the Board of Governors of the California Community Colleges for transfer by the Controller to Section B of the State School Fund for expenditure for the same purposes as funds allocated pursuant to subdivision (b) of Provision 14 in Schedule (16) of Item 6870-101-0001 in this Budget Act.

2. (a) The sum of \$4,852,000 is hereby reappropriated to the Board of Governors of the California Community Colleges for transfer by the Controller to Section B of the State School Fund for expenditure for the following purposes:

(1) Scheduled maintenance and special repairs of facilities. The Chancellor of the California Community Colleges shall allocate funds to districts on the basis of actual reported FTES, and may establish a minimum allocation per district. As a condition for receiving and expending

these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance spending from the 1995–96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs. A district's compliance with its resolution shall be reviewed under the annual audit of that district.

(2) Hazardous substances abatement, cleanup, and repairs.

(3) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.) and seismic retrofit projects limited to \$709,000.

(4) Water conservation projects to reduce water consumption in cooperation with the Governor's Executive Order B-37-16. Projects may include any of the following:

(A) Replacement of water intensive landscaping with drought tolerant landscaping, synthetic turf, provided that the turf is used only in nonathletic areas, and other nonplant materials.

(B) Drip or low-flow irrigation systems.

(C) Building improvements to reduce water usage.

(D) Installation of meters for wells to allow for monitoring of water usage.

(b) Any funds reappropriated for subdivision (a) are available for replacement of instructional equipment and library materials. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses. The chancellor shall allocate funds to districts on the basis of actual reported FTES and may establish a minimum allocation per district. A district's compliance with its resolution shall be reviewed under the annual audit of that district.

(c) Any funds reappropriated for subdivision (a) shall be available for one-time use until June 30, 2021."

Amendments to RN 19 10290 (Changes are in Bold)

SECTION 1. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2018 is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98)	4,155,021,000
	<u>4,102,402,000</u>
	<u>4,157,124,000</u>

Schedule:

(1) 5670015-Appportionments	2,757,983,000	<u>2,705,364,000</u>
		<u>2,760,086,000</u>
(2) 5670019-Apprenticeship	42,848,000	
(3) 5670023-Apprenticeship Training and Instruction	34,696,000	
(5) 5675019-Student Financial Aid Administration	78,383,000	
(6) 5675027-Disabled Students	120,364,000	
(7) 5675031-Student Services for CalWORKs Recipients	45,459,000	
(8) 5675035-Foster Care Education Program	5,254,000	
(9) 5675039-Student Success and Support Program	54,744,000	
(10) 5675061-Academic Senate for the Community Colleges	1,685,000	
(11) 5675069-Equal Employment Opportunity	2,767,000	
(12) 5675073-Part-Time Faculty Health Insurance	490,000	
(13) 5675077-Part-Time Faculty Compensation	24,907,000	
(14) 5675081-Part-Time Faculty Office Hours	12,172,000	
(15) 5675098-Integrated Technology	41,890,000	
(16) 5675119-Economic Development	272,929,000	

(17)	5675123-Transfer Education and Articulation	698,000
(18)	5675023-Extended Opportunity Programs and Services	128,502,000
(19)	5675115-Fund for Student Success	8,658,000
(20)	5675150-Campus Childcare Tax Bailout	3,530,000
(21)	5675156-Nursing Program Support	13,378,000
(22)	5670035-Expand the Delivery of Courses through Technology	23,000,000
(24)	5675133-Physical Plant and Instructional Support	5,464,000
(25)	5675040-Student Equity and Achievement Program	475,220,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller during the 2018–19 fiscal year to Section B of the State School Fund.
2. (a) The funds appropriated in Schedule (1) shall be allocated using the budget formula established pursuant to Section 84750.4 of the Education Code. The budget formula shall be adjusted to reflect the following:
 - (1) Of the funds appropriated in Schedule (1), \$59,657,000 shall be used to increase statewide growth of full-time equivalent students (FTES) by 1.00 percent.
 - (2) Of the funds appropriated in Schedule (1), \$173,101,000 shall be used to reflect a cost-of-living adjustment of 2.71 percent.
 - (3) Notwithstanding paragraph (1), the Chancellor's Office may allocate unused growth funding to backfill any unanticipated shortfalls in the total amount of funding appropriated and support the budget formula established pursuant to Section 84750.4 of the Education Code.
- (b) Funds allocated to a community college district from funds included in Schedule (1) shall directly offset any mandated costs claimed for the Minimum Conditions for State Aid (02-TC-25 and 02-TC-31) program or any costs of complying with Section 84754.5 of the Education Code.

- (c) Of the funds appropriated in Schedule (1):
 - (1) \$100,000 is for a maintenance allowance, pursuant to Section 54200 of Title 5 of the California Code of Regulations.
 - (2) Up to \$500,000 is to reimburse colleges for the costs of federal aid repayments related to assessed fees for fee waiver recipients. This reimbursement only applies to students who completely withdraw from college before the census date pursuant to Section 58508 of Title 5 of the California Code of Regulations.
- (e) Of the funds appropriated in Schedule (1), \$46,000,000 shall be allocated to support the California College Promise pursuant to Chapter 735 of the Statutes of 2017.
- (g) Of the funds appropriated in Schedule (1), \$50,000,000 shall be used to hire new full-time faculty for community college districts to increase their percentage of full-time faculty, toward meeting the 75 percent full-time faculty target. The Chancellor's Office of the California Community Colleges shall consult with representatives from the Department of Finance, the Legislature, and the Legislative Analyst's Office before distributing these funds to community college districts.
- 3. (a) The funds appropriated in Schedule (2) shall be available pursuant to Article 3 (commencing with Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.
- (b) Pursuant to Section 79149.3 of the Education Code, the reimbursement rate shall be \$6.26 per hour.
- (c) Of the funds appropriated in Schedule (2), \$15,000,000 shall be used for the California Apprenticeship Initiative pursuant to Section 79148 of the Education Code. Funds appropriated pursuant to this subdivision shall be available for encumbrance or expenditure until June 30, 2021.
- 4. (a) The funds appropriated in Schedule (3) shall be available pursuant to Article 8 (commencing with Section 8150) of Chapter 1 of Part 6 of Division 1 of Title 1 of the Education Code.
- (b) Pursuant to Section 8152 of the Education Code, the reimbursement rate shall be \$6.26 per hour.
- 6. (a) Of the funds appropriated in Schedule (5):
 - (1) Not less than \$16,352,000 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 \$16,531,000 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.
- (3) (A) \$5,300,000 shall be allocated to a community college district to conduct a statewide media campaign to promote the following message: (i) the California Community Colleges are affordable, (ii) financial aid is available to cover fees and help with books and other costs, and (iii) an interested student should contact his or her local community college financial aid office. The campaign should target efforts to reach low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. The community college district awarded the contract shall consult regularly with the chancellor and the Student Aid Commission.

(B) Of the amount identified in subparagraph (A), \$2,500,000 shall be allocated to expand: (i) outreach for students from non-English speaking households and bilingual households, (ii) marketing and outreach aimed at baccalaureate degree pilot programs, and (iii) marketing and outreach aimed at increasing current and future student awareness of the California College Promise Grant. Bilingual efforts shall target areas of the state that meet at least one of the following conditions: (i) have concentrations of non-English speaking and bilingual households, or (ii) have underserved populations, a history of declining community college attendance, or both.
- (4) Not more than \$35,200,000 shall be for direct contact with potential and current financial aid applicants. Each California Community College campus shall receive a minimum allocation of \$50,000. The remainder of the funding shall be allocated to campuses based upon a formula reflecting FTES weighted by a measure of low-income populations demonstrated by the California College Promise Grant program participation within a district.
- (5) Funds allocated to a community college district pursuant

to paragraphs (1) and (2) shall supplement, not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 or 2006–07 fiscal year, whichever is greater.

- (6) Funding allocated to a community college district pursuant to paragraphs (1) and (2) shall directly offset any costs claimed by that district for any of the following mandates: Enrollment Fee Collection (99-TC-13), Enrollment Fee Waivers (00-TC-15), Cal Grants (02-TC-28), and Tuition Fee Waivers (02-TC-21).
 - (7) Notwithstanding subdivision (m) of Section 76300 of the Education Code or any other provision of law, the amount of funds appropriated for the purpose of administering fee waivers for the 2018–19 fiscal year shall be determined in this act.
 - (8) Not more than \$5,000,000 shall be for ongoing maintenance, subscription, and training costs for financial aid technology advancements and innovations that streamline the financial aid verification process and enable colleges to more efficiently process state and federal financial aid grants. It is the intent of the Legislature that system improvements supported by this funding have the effect of reducing the manual processing of financial aid applications, thereby enabling financial aid program staff to provide additional technical assistance and guidance to students seeking financial aid. The Chancellor's Office shall determine the methodology for allocating these funds to community college districts.
7. (a) The funds appropriated in Schedule (6) shall be used to assist districts in funding the excess direct instructional cost of providing special support services or instruction, or both, to disabled students enrolled at community colleges and for state hospital programs, as mandated by federal law.
- (b) Of the amount appropriated in Schedule (6):
- (1) At least \$3,945,000 shall be used to address deficiencies identified by the United States Department of Education Office for Civil Rights.
 - (2) At least \$943,000 shall be used to support the High Tech Centers for activities including, but not limited to, training of district employees, staff, and students in the use of specialized computer equipment for the disabled.
 - (3) At least \$9,600,000 shall be allocated to community

college districts for sign language interpreter services, real-time captioning equipment, or other communication accommodations for hearing-impaired students. A community college district is required to spend \$1 from local or other resources for every \$4 received pursuant to this paragraph.

- (4) \$642,000 shall be allocated for state hospital adult education programs at the hospitals served by the Coast and Kern Community College Districts.
- 8.
 - (a) The funds appropriated in Schedule (7) shall be allocated pursuant to Article 5 (commencing with Section 79200) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.
 - (b) Of the amount appropriated in Schedule (7):
 - (1) \$9,188,000 is for child care, except that a community college district may request that the chancellor approve the use of funds for other purposes.
 - (2) No less than \$4,900,000 shall be used to provide direct workstudy wage reimbursement for students served under this program, and \$613,000 is available for campus job development and placement services.
 - (c) A community college district is required to spend \$1 from local or other resources for every \$1 received pursuant to this provision, except for any funds received pursuant to paragraph (1) of subdivision (b).
- 9.
 - (a) The funds appropriated in Schedule (8) shall be allocated to community college districts to provide foster and relative or kinship care education and training pursuant to Article 8 (commencing with Section 79420) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. A community college district shall ensure that education and training required pursuant to Sections 1529.1 and 1529.2 of the Health and Safety Code and Section 16003 of the Welfare and Institutions Code receive priority.
- 10.
 - (a) Of the amount included in Schedule (9):
 - (1) Consistent with the intent of Chapter 771 of the Statutes of 2014 and Chapter 772 of the Statutes of 2017, the chancellor shall enter into agreements with 20 community college districts to provide additional services in support of postsecondary education for foster youth. Up to \$20,000,000 of the funds shall be prioritized for

services pursuant to Chapter 771 of the Statutes of 2014 and Chapter 772 of the Statutes of 2017. Further, the chancellor shall ensure that the list of eligible expenditures developed pursuant to subdivision (d) of Section 78221 of the Education Code includes expenditures that are consistent with the intent of Chapter 771 of the Statutes of 2014 and Chapter 772 of the Statutes of 2017.

- (2) \$7,244,000, of which \$2,244,000 shall be available on a one-time basis, of the funds shall be for support of Veteran Resource Centers. To the extent funding is provided in the annual Budget Act, the Chancellor shall only allocate funding to community colleges that commit to either meeting or making progress towards meeting the minimum standards developed by the Chancellor's Office.
- (3)
 - (A) \$7,500,000 may be used by the chancellor to provide technical assistance to community college districts that demonstrate low performance in any area of operations. It is the intent of the Legislature that technical assistance providers be contracted in a cost-effective manner, that they primarily consist of experts who are current and former employees of the California Community Colleges, and that they provide technical assistance consistent with the vision for the California Community Colleges.
 - (B) Technical assistance funded pursuant to this paragraph that is initiated by the chancellor may be provided at no cost to the district. If a community college district requests technical assistance, the district is required to spend at least \$1 from local or other resources for every \$2 received as determined by the chancellor.
- (4)
 - (A) \$20,000,000 may be used by the chancellor to provide regional and online workshops and trainings to community college personnel to promote statewide priorities, including, but not limited to, strategies to improve student achievement; strategies to improve community college operations; and system leadership training to better coordinate planning, implementation, and outcomes of statewide initiatives. To the extent possible, the chancellor shall partner with existing statewide initiatives with proven results of improving student success and institutional effectiveness. Each fiscal year, the chancellor shall submit a report on the use of funds appropriated pursuant to paragraphs (3)

and (4) of this provision in the prior year to the Department of Finance and the Joint Legislative Budget Committee no later than December 31 of each year. This report shall include information regarding California Community Colleges' participation in the activities funded pursuant to paragraphs (3) and (4) of this provision, and the California Community Colleges' progress toward their goals for each of the institutional effectiveness indicators.

- (B) Funding available pursuant to this paragraph may be utilized by the chancellor to coordinate with community college districts to develop and disseminate effective practices through the establishment of an online clearinghouse of information. The development of effective practices shall include, but not be limited to, statewide priorities such as the development of educational programs or courses for the incarcerated adults in prisons and jails, and the formerly incarcerated, educational programs or courses for California Conservation Corps members, and other effective practices. The online clearinghouse of information shall also reflect effective practices, guidance, policies, curriculum, courses, and programs developed by local community colleges in support of the Strong Workforce Program established pursuant to Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code.
- (C) It is the intent of the Legislature to encourage the chancellor to facilitate the development of local community college courses for the California Conservation Corps and the incarcerated adults in prisons and jails, and the formerly incarcerated. The Department of Corrections and Rehabilitation and the California Conservation Corps are encouraged to partner with the chancellor's office in the development and dissemination of local community college courses and effective practices pursuant to this subparagraph and subparagraph (B).

11. The funds in Schedule (13) shall be allocated to increase compensation for part-time faculty. Funds shall be allocated to districts based on the total actual number of FTES in the previous fiscal year, with an adjustment to the allocations provided to small districts. These funds shall be used to assist districts in making part-time faculty salaries more comparable to full-time salaries for similar work, as determined through collective bargaining in each community college district. If a community college district achieves parity between compensation for full-time faculty and part-time faculty, funds received pursuant to this provision may be used for any other educational

purpose.

12. (a) The funds appropriated in Schedule (15) shall be allocated by the chancellor for the following purposes:
 - (1) Procurement, development, evaluation, and upgrading of high priority systemwide technology tools and infrastructure including, but not limited to, e-transcript, e-planning, and other tools to assist colleges to implement multiple measures of assessment pursuant to Chapter 745 of the Statutes of 2017, and technologies that facilitate portability of education credentials.
 - (2) Provision of access to statewide multimedia hosting and delivery services for colleges and districts.
 - (3) Provision of systemwide Internet, audio bridging, data security, and telephony.
 - (4) Services related to technology use, including accessibility guidance and information security.
 - (5) Technology product development and program management, technical assistance and planning, and cooperative purchase agreements.
 - (6) Ongoing faculty and staff development related to technology use and adoption.
 - (7) Ongoing support of the California Partnership for Achieving Student Success (Cal-PASS) program.
 - (8) Ongoing support for programs designed to use technology in assisting accreditation and the alignment of curricula across K–20 segments in California, as well as to support integration and interoperability toward an improved student experience.
 - (9) Support for technology pilots and ongoing technology programs and applications that serve to maximize the utility and economy of scale of the technology investments of the community college system toward improving learning outcomes.
 - (10) Up to 5 percent of the funds may be allocated by the chancellor to a community college district for statewide activities, not limited to statewide technical assistance to evaluate, plan, and continuously improve the system's data and technology roadmap and deployment.
- (b) Any funds not allocated pursuant to subdivision (a) of this provision shall be available for allocations to districts to maintain

technology capabilities.

13. Of the funds appropriated in Schedule (16):

(a) \$22,929,000 is available for the following purposes:

- (1) Up to 10 percent may be allocated for state-level technical assistance, including statewide network leadership, organizational development, coordination, and information and support services.
- (2) All remaining funds shall be allocated for programs that target investments in priority and emergent sectors, including statewide and/or regional centers, hubs, collaborative communities, advisory bodies, and short-term grants. Short-term grants may include industry-driven regional education and training, Responsive Incumbent Worker Training, and Job Development Incentive Training. Funds allocated pursuant to this provision may be used to provide substantially similar services in support of the Strong Workforce Program.
- (3) Funds applied to performance-based training shall be matched by a minimum of \$1 contributed by private businesses or industry for each \$1 of state funds. The chancellor shall consider the level of involvement and financial commitments of business and industry in making awards for performance-based training.

(b) (1) \$248,000,000 shall be available to support the Strong Workforce Program pursuant to Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code.

(2) \$2,000,000 shall be available on a one-time basis to increase the number of certified nurse assistant programs or increase the number of certified nurse assistants completing a certified nurse assistant program. Notwithstanding Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code, the Chancellor's Office shall determine a methodology for allocating these one-time funds to Strong Workforce Program regional consortiums.

14. (a) The funds appropriated in Schedule (17) shall be used to support transfer and articulation projects and common course numbering projects.

(b) Funding provided to community college districts shall directly offset any costs claimed by community college districts to be mandates pursuant to Chapter 737 of the Statutes of 2004.

15. (a) Of the funds appropriated in Schedule (18):
 - (1) \$112,209,000 shall be used pursuant to Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. Funds provided in this item for Extended Opportunity Programs and Services shall be available to students on all campuses within the California Community Colleges system.
 - (2) \$16,293,000 shall be used for funding, at all colleges, the Cooperative Agencies Resources for Education program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The chancellor shall allocate these funds to local programs on the basis of need for student services.
- (b) Of the amount allocated pursuant to subdivision (a), no less than \$4,972,000 shall be available to support additional textbook assistance grants to community college students.
16. The funds appropriated in Schedule (19) shall be used for the following purposes:
 - (a) \$1,921,000 shall be used for the Puente Project to support up to 75 colleges. These funds are available if matched by \$200,000 of private funds and if the participating community colleges and University of California campuses maintain their 1995–96 fiscal year support level for the Puente Project. All funding shall be allocated directly to participating districts in accordance with their participation agreement.
 - (b) Up to \$2,459,000 is for the Mathematics, Engineering, Science Achievement (MESA) program. A community college district is required to spend \$1 from local or other resources for every \$1 received pursuant to this subdivision.
 - (c) No less than \$1,778,000 is for the Middle College High School Program. With the exception of special part-time students at the community colleges pursuant to Sections 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state apportionment.
 - (d) No less than \$2,500,000 is for the Umoja program.
17. The funds appropriated in Schedule (20) shall be allocated by the chancellor to community college districts that levied child care permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8329 and 8330 of the Education Code in an amount

proportional to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its child care and development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased or decreased by any cost-of-living adjustment granted in subsequent fiscal years. These funds shall be used only for the purpose of community college child care and development programs.

18. Of the funds appropriated in Schedule (21):

- (a) \$8,475,000 shall be used to provide support for nursing programs.
- (b) \$4,903,000 shall be used for diagnostic and support services, preentry coursework, alternative program delivery model development, and other services to reduce the incidence of student attrition in nursing programs.

19. Of the funds appropriated in Schedule (22):

- (a) \$20,000,000 shall be allocated to the chancellor to increase the number of courses available through the use of technology, provide alternative methods for students to earn college credit, and support the California Virtual Campus Distance Education Program. These funds may be used to pay for a consistent learning management system to help implement this program. The chancellor shall ensure, to the extent possible, that the following conditions are satisfied:
 - (1) These courses can be articulated across all community college districts.
 - (2) These courses are made available to students systemwide, regardless of the campus at which a student is enrolled.
 - (3) Students who complete these courses are granted degree-applicable credit across community colleges.
 - (4) These funds shall be used for those courses that have the highest demand, fill quickly, and are prerequisites for many different degrees.
- (b) By September 1 of each fiscal year, up to \$3,000,000 shall be disbursed by the Office of the Chancellor of the California Community Colleges to one or more community college districts to provide textbooks or digital course content to inmates under the jurisdiction of the Department of Corrections and Rehabilitation who are enrolled in one or more California Community College courses. The provision of this material is expected to enable community college districts to provide instruction to incarcerated adults.

- (1) To the extent possible, community college districts providing textbooks or digital course content pursuant to this paragraph are encouraged to first use open educational resources.
 - (2) Notwithstanding any other law, a contract between the Office of the Chancellor of the California Community Colleges and a community college district for purposes of this subdivision is not subject to any competitive bidding requirements of Section 10340 of the Public Contract Code.
20. The Office of the Chancellor of the California Community Colleges shall annually report by December 1 of each year through 2021, on the racial or ethnic and gender composition of faculty, and efforts to assist campuses in providing equal employment opportunity in faculty recruitment and hiring practices as well as systemwide training, monitoring, and compliance activities.
22.
 - (a) Any funds appropriated in Schedule (24) are available for the following purposes:
 - (1) Scheduled maintenance and special repairs of facilities. The Chancellor of the California Community Colleges shall allocate funds to districts on the basis of actual reported FTES, and may establish a minimum allocation per district. As a condition for receiving and expending these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance spending from the 1995–96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs. A district's compliance with its resolution shall be reviewed under the annual audit of that district.
 - (2) Hazardous substances abatement, cleanup, and repairs.
 - (3) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.) and seismic retrofit projects limited to \$709,000.
 - (4) Water conservation projects to reduce water consumption in cooperation with the Governor's Executive Order B-37-16. Projects may include any of the following:
 - (A) Replacement of water intensive landscaping with drought tolerant landscaping, synthetic turf, provided that the turf is used only in nonathletic areas, and other nonplant materials.

- (B) Drip or low-flow irrigation systems.
 - (C) Building improvements to reduce water usage.
 - (D) Installation of meters for wells to allow for monitoring of water usage.
 - (b) Any funds appropriated in Schedule (24) are available for replacement of instructional equipment and library materials. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses. The chancellor shall allocate funds to districts on the basis of actual reported FTES and may establish a minimum allocation per district. A district's compliance with its resolution shall be reviewed under the annual audit of that district.
 - (c) Any funds appropriated in Schedule (24) shall be available for one-time use until June 30, 2020.
23. The funds appropriated in Schedule (25) shall be apportioned to community college districts pursuant to Section 78222 of the Education Code.
24. Of the amount appropriated in Schedule (10), \$685,000 is available to support the Academic Senate of the California Community Colleges course identification numbering system efforts and shall be subject to the requirements of subparagraph (B) of paragraph (5) of subdivision (b) of Section 70901 of the Education Code.

Update Item 6870-107-0001 from 2018 Budget Act to Allow for Flexible Use of Funds for Local District Financial Oversight and Evaluation

"6870-107-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98), for local district financial oversight and evaluation 570,000

Schedule:

(1) 5670015-Appportionments 570,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller to Section B of the State School Fund for the Board of Governors of the California Community Colleges to reimburse the Fiscal Crisis and Management Assistance Team (FCMAT) for costs incurred by FCMAT for the following activities:
 - (a) The performance of audits, examinations, or reviews of any community college district pursuant to Section 84041 of the Education Code.
 - (b) The provision of technical assistance, training, and short-term institutional research necessary to address existing or potential accreditation deficiencies. ~~No more than \$150,000 of the funds appropriated in this item may be used for these purposes.~~
2. The Board of Governors of the California Community Colleges may request an unsolicited review of a community college district if the board of governors determines that there is an imminent threat to the fiscal integrity of the district as a result of fraud, misappropriation of funds, or other illegal fiscal practices.
3. All proposed contracts and reimbursements for FCMAT services shall be subject to the approval of the Department of Finance."

Revised Implementation Plan for Student-Centered Funding Formula

Amendments to RN 19 10288 (Changes are in Bold)

SECTION 1. Section 84750.4 of the Education Code is amended to read:

84750.4. (a) (1) The board of governors, in accordance with this section, and in consultation with institutional representatives of the California Community Colleges and statewide faculty and staff organizations, so as to ensure their participation in the development and review of policy proposals, shall develop criteria and standards for the purpose of making the annual budget request for the California Community Colleges to the Governor and the Legislature, and for the purpose of allocating the state general apportionment revenues.

(2) It is the intent of the Legislature in enacting this section to adopt a formula for general purpose apportionments that encourages access for underrepresented students, provides additional funding in recognition of the need to provide additional support for low-income students, rewards colleges' progress on improving student success metrics, and improves overall equity and predictability so that community college districts may more readily plan and implement instruction and programs.

(3) It is the intent of the Legislature to determine the amounts appropriated for purposes of this section through the annual Budget Act. Nothing in this section shall be construed as limiting the authority of either the Governor to propose, or the Legislature to approve, appropriations for the California Community Colleges programs or purposes.

(b) Commencing with the 2018–19 fiscal year, and each fiscal year thereafter, the chancellor's office shall annually calculate a base allocation, a supplemental allocation, and a student success allocation for each community college district in the state pursuant to this section. This calculation shall only apply to the allocation of credit revenue. Noncredit instruction, and instruction in career development and college preparation full-time equivalent students (FTES) shall be funded pursuant to the requirements of paragraphs (3) and (4), respectively, of subdivision (d) of Section 84750.5, as that section read on January 1, 2018.

(c) For purposes of computing the base allocation, the marginal funding rate for credit revenue per FTES shall be no less than the following:

(1) Three thousand seven hundred twenty-seven dollars (\$3,727) for the 2018–19 fiscal year.

(2) ~~Three thousand three hundred eighty-seven dollars (\$3,387)~~ Three thousand seven hundred twenty-seven dollars (\$3,727) for the 2019–20 fiscal year adjusted for changes in cost-of-living and other base adjustments.

(3) Three thousand forty-six dollars (\$3,046) for the 2020–21 fiscal year adjusted for changes in cost-of-living and other base adjustment in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(4) Commencing with the 2021–22 fiscal year, the rate specified in paragraph (3) adjusted for changes in cost-of-living and other base adjustments in subsequent annual budget acts.

(d) (1) The base allocation shall be computed for each community college district as follows:

(A) Each community college district shall receive a basic allocation based on the number of colleges and comprehensive centers in the community college district that is consistent with the basic allocation formula established by the board of governors pursuant to paragraph (2) of subdivision (d) of Section 84750.5 as of the 2015–16 fiscal year.

(B) Unless otherwise specified in subparagraph (C), each community college district shall receive an allocation based on credit base revenues associated with funded FTES as computed pursuant to subparagraph (A) of paragraph (2) at the rate pursuant to subdivision (c).

(C) (i) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations for the 2018–19 fiscal year:

(I) For Foothill-De Anza Community College District, the rate shall be no less than three thousand seven hundred forty-five dollars (\$3,745).

(II) For Lake Tahoe Community College District, the rate shall be no less than three thousand eight hundred eighteen dollars (\$3,818).

(III) For Lassen Community College District, the rate shall be no less than three thousand seven hundred ninety-four dollars (\$3,794).

(IV) For Marin Community College District, the rate shall be no less than four thousand two hundred sixty-one dollars (\$4,261).

(V) For MiraCosta Community College District, the rate shall be no less than three thousand seven hundred thirty-four dollars (\$3,734).

(VI) For San Francisco Community College District, the rate shall be no less than three thousand seven hundred fifty-six dollars (\$3,756).

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than three thousand seven hundred forty-four dollars (\$3,744).

(VIII) For Santa Monica Community College District, the rate shall be no less than three thousand seven hundred seventy-six dollars (\$3,776).

(IX) For South Orange Community College District, the rate shall be no less than three thousand eight hundred twenty-six dollars (\$3,826).

(X) For West Kern Community College District, the rate shall be no less than four thousand nine hundred thirty-four dollars (\$4,934).

(ii) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations for the 2019–20 fiscal year:

(I) For Foothill-De Anza Community College District, the rate shall be no less than ~~three thousand four hundred three dollars (\$3,403)~~ three thousand seven hundred forty-five dollars (\$3,745) adjusted for changes in cost-of-living and other base adjustments.

(II) For Lake Tahoe Community College District, the rate shall be no less than ~~three thousand four hundred sixty-nine dollars (\$3,469)~~ three thousand eight hundred eighteen dollars (\$3,818) adjusted for changes in cost-of-living and other base adjustments.

(III) For Lassen Community College District, the rate shall be no less than ~~three thousand four hundred forty-seven dollars (\$3,447)~~ three thousand seven hundred ninety-four dollars (\$3,794) adjusted for changes in cost-of-living and other base adjustments.

(IV) For Marin Community College District, the rate shall be no less than ~~three thousand eight hundred seventy-two dollars (\$3,872)~~ four thousand two hundred sixty-one dollars (\$4,261) adjusted for changes in cost-of-living and other base adjustments.

(V) For MiraCosta Community College District, the rate shall be no less than ~~three thousand three hundred ninety-two dollars (\$3,392)~~ three thousand seven hundred thirty-four dollars (\$3,734) adjusted for changes in cost-of-living and other base adjustments.

(VI) For San Francisco Community College District, the rate shall be no less than ~~three thousand four hundred thirteen dollars (\$3,413)~~ three thousand seven hundred fifty-six dollars (\$3,756) adjusted for changes in cost-of-living and other base adjustments.

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than ~~three thousand four hundred one dollars (\$3,401)~~ three thousand seven hundred forty-four dollars (\$3,744) adjusted for changes in cost-of-living and other base adjustments.

(VIII) For Santa Monica Community College District, the rate shall be no less than ~~three thousand four hundred thirty-one dollars (\$3,431)~~ three thousand seven hundred seventy-six dollars (\$3,776) adjusted for changes in cost-of-living and other base adjustments.

(IX) For South Orange Community College District, the rate shall be no less than ~~three thousand four hundred seventy-six dollars (\$3,476)~~ three thousand eight hundred twenty-six dollars (\$3,826) adjusted for changes in cost-of-living and other base adjustments.

(X) For West Kern Community College District, the rate shall be no less than ~~four thousand four hundred eighty-three dollars (\$4,483)~~ four thousand nine hundred thirty-four dollars (\$4,934) adjusted for changes in cost-of-living and other base adjustments.

(iii) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations for the 2020–21 fiscal year:

(I) For Foothill-De Anza Community College District, the rate shall be no less than three thousand sixty dollars (\$3,060) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(II) For Lake Tahoe Community College District, the rate shall be no less than three thousand one hundred twenty dollars (\$3,120) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(III) For Lassen Community College District, the rate shall be no less than three thousand one hundred dollars (\$3,100) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(IV) For Marin Community College District, the rate shall be no less than three thousand four hundred eighty-two dollars (\$3,482) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(V) For MiraCosta Community College District, the rate shall be no less than three thousand fifty-one dollars (\$3,051) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(VI) For San Francisco Community College District, the rate shall be no less than three thousand sixty-nine dollars (\$3,069) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than three thousand fifty-nine (\$3,059) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(VIII) For Santa Monica Community College District, the rate shall be no less than three thousand eighty-six dollars (\$3,086) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(IX) For South Orange Community College District, the rate shall be no less than three thousand one hundred twenty-six dollars (\$3,126) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(X) For West Kern Community College District, the rate shall be no less than four thousand thirty-two dollars (\$4,032) adjusted for changes in cost-of-living and other base adjustments in the prior year and the cost-of-living and other base adjustments for the 2020–21 fiscal year.

(iv) Commencing with the 2021–22 fiscal year, the rates in clause (iii) shall be adjusted for changes in the cost-of-living and other base adjustments in subsequent annual budget acts.

(2) To calculate the base allocation for each community college district, the chancellor's office shall calculate the three-year rolling average comprised of funded FTES from the current year, the prior year, and the year prior to the prior year, as follows:

(A) Commencing with the 2018–19 fiscal year, the chancellor's office shall compute the sum of annually funded credit FTES from the current year, the prior year, and the year prior to the prior year, and divide the sum by three.

(B) (i) In computing the three-year average pursuant to subparagraph (A), credit FTES associated with enrollment growth proposed in the annual Budget Act shall be excluded from the three-year average and shall instead be added to the computed three-year rolling average.

(ii) In computing the three-year average pursuant to subparagraph (A), credit FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004 shall be excluded.

(C) The sum of a community college district's computed three-year FTES rolling average and current year funded FTES growth shall be multiplied by a community college district's applicable base allocation funding rate pursuant to subdivision (c), or subparagraph (C) of paragraph (1), as applicable, to compute a community college district's base allocation.

(D) Community college districts shall be entitled to the restoration of any reductions in their base allocation due to decreases in FTES during the three years following the initial year of decrease if there is a subsequent increase in FTES.

(3) In addition to the amounts computed pursuant to paragraphs (1) and (2), each community college district shall receive an allocation based on credit base revenues associated with funded FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004. FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004 shall be multiplied by a community college district's applicable credit revenue rate computed for the 2017–18 fiscal year pursuant to Section 84750.5, as that section read on January 1, 2018, as adjusted for 2018–19 fiscal year cost-of-living adjustment and other base adjustments, and adjusted for the changes in the cost-of-living and other base adjustments in subsequent annual budget acts.

(4) The chancellor shall allocate any funding appropriated in the Budget Act for enrollment growth to support the following:

(A) First, for the stated percentage of enrollment growth in the Budget Act and consistent with the growth formula used by the board of governors in the 2015–16 fiscal year.

(B) Second, for the amount of uncapped growth attributable to increases in the amount of a community college district's supplemental allocation.

(C) Third, for the amount of uncapped growth attributable to increases in the amount of a community college district's student success allocation.

(e) Commencing with the 2018–19 fiscal year, a supplemental allocation shall be computed for each community college district based on the total points calculated for each community college district in accordance with all of the following:

(1) The marginal funding rate per point for computing a supplemental allocation shall be nine hundred nineteen dollars (\$919) and, commencing with the 2019–20 fiscal year, that rate shall be adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(2) Each community college district shall be granted one point for each student who is a recipient of financial aid under the Federal Pell Grant program (20 U.S.C. Sec. 1070a) based on headcount data of students in the prior year.

(3) Each district shall be granted one point for each student who is granted an exemption from nonresident tuition pursuant to Section 68130.5, based on headcount data of students in the prior year.

(4) Each district shall be granted one point for each student who receives a fee waiver pursuant to Section 76300, based on headcount data of students in the prior year.

(5) For the purposes of calculating the supplemental allocation, the number of students shall be defined as the number of students served by the community college district.

(6) It is the intent of the Legislature that the annual Budget Act fully fund increases in the supplemental allocations computed under this section.

(f) Commencing with the 2018–19 fiscal year, a student success allocation shall be computed for each community college district based on the total points calculated for each community college district in accordance with all of the following:

(1) (A) The marginal funding rate per point for computing student success allocation revenue shall be as follows:

(i) For the 2018–19 fiscal year, four hundred and forty dollars (\$440).

(ii) For the 2019–20 fiscal year, ~~six hundred sixty dollars (\$660)~~ four hundred and forty dollars (\$440) adjusted for changes in cost-of-living and other base adjustments specified for the 2019–20 fiscal year.

(iii) For the 2020–21 fiscal year, eight hundred eighty dollars (\$880) adjusted for changes in cost-of-living and other base adjustment in the prior year and the cost-of-living and other base adjustments specified for the 2020–21 fiscal year.

(iv) Commencing with the 2021–22 fiscal year, the rate specified in clause (iii) adjusted for changes in cost-of-living and other base adjustments specified in subsequent annual budget acts.

(B) Each community college district shall be granted three points for each chancellor's office approved associate degree or approved baccalaureate degree granted, excluding an associate degree for transfer granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on prior year data.

(C) Each community college district shall be granted four points for each chancellor's office approved associate degree for transfer degree granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on prior year data.

(D) (i) Each community college district shall be granted two points for each chancellor's office approved credit certificate requiring 18 or more units granted, based on prior year data.

(ii) Chancellor's office approved credit certificates requiring 16 or more units granted may be used to compute these points if the chancellor's office adopts regulations authorizing the approval and issuance of certificates requiring 16 or more units.

(E) Each community college district shall be granted two points for each student who successfully completes both transfer-level mathematics and English courses within the student's first academic year of enrollment, based on prior year data.

(F) (i) Each community college district shall be granted one and a half points for each student who successfully transfers to a four-year university, based on prior year data.

(ii) The chancellor's office may reduce a community college district's transfer points if a community college district enters into, or expands, a transfer partnership with a private for-profit college that has not demonstrated a track record of providing its students with a baccalaureate degree that leads to a majority of the private for-profit college's baccalaureate degree program students obtaining a regional living wage within one year of completing their degree program.

(iii) The chancellor's office may reduce a community college district's transfer points if a community college district enters into, or expands, a transfer partnership with a private for-profit college that does not meet the qualifications to offer its students federal financial aid.

(iv) Commencing with the 2018–19 fiscal year, points awarded for each student who successfully transfers to a four-year university shall be granted to the student's district of residence pursuant to Article 2 (commencing with Section 78030) of Chapter 1 of Part 48 of Division 7 of Title 3 of the Education Code.

(G) Each community college district shall be granted one point for each student who successfully completes nine or more career technical education units, based on prior year data.

(H) Each community college district shall be granted one point for each student who obtains a regional living wage within one year of community college completion, based on prior year data.

(2) (A) Each community college district shall also be granted additional points for an equity component of the student success allocation. The marginal funding per point for the equity component of the student success allocation revenue shall be as follows:

(i) For the 2018–19 fiscal year, one hundred eleven dollars (\$111).

(ii) For the 2019–20 fiscal year, ~~one hundred sixty-seven dollars (\$167)~~ one hundred eleven dollars (\$111) adjusted for changes in cost-of-living and other base adjustments specified for the 2019–20 fiscal year.

(iii) For the 2020–21 fiscal year, two hundred twenty-two dollars (\$222) adjusted for changes in cost-of-living and other base adjustment specified for the prior year and the cost-of-living and other base adjustments specified for the 2020–21 fiscal year.

(iv) Commencing with the 2021–22 fiscal year, the rate specified in clause (iii) adjusted for changes in cost-of-living and other base adjustments specified in subsequent annual budget acts.

(B) In computing this allocation, each community college district shall receive points for a student who received a fee waiver pursuant to Section 76300 and generated points for any of the metrics described in paragraph (1), based on prior year data. For each student identified pursuant to this subparagraph, the community college district shall receive the number of points

equal to the number of points that the student generated for each of the metrics described in paragraph (1).

(C) In computing this allocation, each community college district shall receive points for a student who received financial aid under the Federal Pell Grant program (20 U.S.C. Sec. 1070a) and generated points for any of the metrics described in paragraph (1), based on prior year data. For each student identified pursuant to this subparagraph, the community college district shall receive the number of points equal to the following:

(i) Four and one-half points for each chancellor's office approved associate degree or approved baccalaureate degree granted, excluding an associate degree for transfer granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on prior year data.

(ii) Six points for each chancellor's office approved associate for transfer degree granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on prior year data.

(iii) Three points for each chancellor's office approved credit certificate requiring 16 or more units granted, based on prior year data.

(iv) Three points for each student who successfully completes transfer-level mathematics and English courses within the student's first academic year of enrollment, based on prior year data.

(v) Two and one-quarter points for each student who successfully transfers to a four-year university, based on prior year data.

(vi) One and one-half points for each student who successfully completes nine or more career technical education units, based on prior year data.

(vii) One and one-half points for each student who obtains a regional living wage within one year of community college completion, based on prior year data.

(3) (A) For the 2019–20 fiscal year, each community college district's student success allocation shall increase by no more than ten percent from the district's prior year student success allocation.

(B) For the 2020–21 fiscal year, each community college district's student success allocation shall increase by no more than ten percent from the district's prior year student success allocation, after accounting for the change in marginal funding per point from the 2019–20 fiscal year to the 2020–21 fiscal year, as described in subparagraph (A) in paragraph (1) and subparagraph (A) in paragraph (2).

(C) Commencing with the 2021–22 fiscal year, each community college district's student success allocation shall increase by no more than ten percent from the district's prior year student success allocation.

~~(3)~~ (4) It is the intent of the Legislature that the annual Budget Act fully fund increases in the student success allocations computed under this section.

(g) To establish a hold harmless protection for community college districts pursuant to the funding allocation established in this section, a minimum funding level for all community college districts shall be computed as follows:

(1) For the 2018–19 and 2019–20 fiscal years, a level of funding to ensure that all community college districts receive at a minimum the total computational revenue the district received in the 2017–18 fiscal year, defined as a district's final entitlement for general purpose apportionment based on FTES and the number of colleges and comprehensive centers the district operates.

(2) Commencing with the 2020–21 fiscal year, and each year thereafter, community college districts shall receive the higher of (A) the funding level determined by the formula established in this section, or (B) the level of funding determined by multiplying the community college district's new FTES by the associated credit, noncredit, and career development and college preparation rate received by the district in the 2017–18 fiscal year. The level of funding shall be adjusted to include a basic allocation based on the number of colleges and comprehensive centers in the district consistent with the basic allocation rates used in the 2017–18 fiscal year.

(3) (A) From the 2019–20 fiscal year to the 2023–24 fiscal year, inclusive, for the San Francisco Community College District and the Compton Community College District, the rates for computing the hold harmless provisions pursuant to paragraphs (1) and (2) shall be multiplied each year by the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases to FTES. The level of funding for the San Francisco Community College District and the Compton Community College District shall be adjusted to include a basic allocation based on the number of colleges and comprehensive centers in the district consistent with the basic allocation rates used in the 2017–18 fiscal year multiplied by the 2018–19 fiscal year cost-of-living adjustment, and adjusted for changes in the cost-of-living in subsequent annual budget acts. The intent of these adjustments is to provide the San Francisco Community College District and the Compton Community College District with the greater of the amount that would have been calculated pursuant to the requirements of Section 84750.5, as that section read on January 1, 2018, adjusted for annual changes in the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases in FTES, or the amount computed pursuant to the funding formula established in this section.

(B) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for five fiscal years beginning in the 2017–18 fiscal year, the San Francisco Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2012–13 fiscal year, if there is a subsequent increase in FTES.

(C) (i) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for five fiscal years beginning in the fiscal year the Compton Community College District is accredited under the governing authority of the Board of Trustees of the Compton Community College District, the board of governors shall provide allocations to the Compton Community College District in an amount not less than the total amount that the district would receive if the level of attendance of FTES was the same level of attendance as in the 2017–18 fiscal year. The amount shall be adjusted to reflect cost-of-living adjustments, deficits in apportionments, or both, as appropriate for the applicable fiscal years.

(ii) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for five fiscal years beginning in the fiscal year the Compton Community College District is accredited under the governing authority of the Board of Trustees of the Compton Community

College District, the Compton Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2017–18 fiscal year, if there is a subsequent increase in FTES.

(iii) In computing statewide entitlements to funding based upon the attendance of FTES, the Compton Community College District shall not be credited with more FTES than were actually enrolled and in attendance.

(4) Decreases in a community college district's total revenue computed pursuant to the sum of subdivisions (d), (e), and (f), or computed pursuant to this subdivision shall result in the associated reduction beginning in the year following the initial year of decreases.

(h) For the fiscal years 2018–19 to ~~2020–21~~ **2021–22**, inclusive, each community college district whose increase in 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5, compared to apportionment funding computed pursuant to this section, is less than the year-over-year cost-of-living adjustments applicable to those fiscal years, shall receive discretionary resources in an amount needed to ensure the community college district receives no less than their 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5 adjusted for annual year-over-year cost-of-living adjustments.

(i) The board of governors shall develop the criteria and standards within the statewide minimum requirements established pursuant to this section.

(j) (1) Except as specifically provided in statute, regulations of the board of governors for determining and allocating the state general apportionment to the community college districts shall not require community college district governing boards to expend the allocated revenues in specified categories of operation.

(2) Except as otherwise provided by statute, current categorical programs providing direct services to students, including extended opportunity programs and services, and disabled student programs and services, shall continue to be funded separately through the annual Budget Act, and shall not be assumed under the budget formula otherwise specified by this section.

(k) It is the intent of the Legislature to allow for changes to the criteria and standards developed pursuant to subdivisions (a) and (h) in order to recognize increased operating costs and to improve instruction.

(l) Notwithstanding Subchapter 1 (commencing with Section 51000) of Chapter 2 of Division 6 of Title 5 of the California Code of Regulations and Section 84751, the chancellor shall allocate the ongoing funds first appropriated to paragraph (1) of subdivision (e) of provision (2) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2015 (Chapters 10 and 11 of the Statutes of 2015) to all community college districts, including districts that have offsetting local revenues that exceed the funding calculated pursuant to the district's budget formula, on a per FTES basis by modifying each district's budget formula pursuant to this section. Any revisions to the budget formula made for the purposes of this subdivision shall be made and reported consistent with the requirements of subdivision (i).

(m) (1) (A) The governing board of each community college district shall certify it will do all the following, no later than January 1, 2019:

(i) Adopt goals for the community college district that meet the following requirements:

(I) Are aligned with the systemwide goals identified in the Vision for Success, which were adopted by the Board of Governors of the California Community Colleges in 2017.

(II) Are measurable numerically.

(III) Specify the specific timeline for achievement.

(ii) For the meeting when the goals are considered for adoption, include in the written agenda an explanation of how the goals are consistent and aligned with the systemwide goals.

(iii) Submit the written item and summary of action to the chancellor's office.

(B) The chancellor's office shall make available guidance to assist governing boards of community college districts in meeting the requirements of this section. The funds apportioned to a community college district pursuant to this section, and for excess tax districts, the Student Equity and Achievement Program, shall be available to implement the activities required pursuant to this paragraph.

(2) Each community college district shall align its comprehensive plan pursuant to paragraph (9) of subdivision (b) of Section 70901 with the adopted local plan goals and align its budget with the comprehensive plan. The funds apportioned to a community college district pursuant to this section, and for excess tax districts, the Student Equity and Achievement Program, shall be available to implement the activities required pursuant to this paragraph.

(3) If a community college district is identified as needing further assistance to make progress towards achieving specified goals, the chancellor's office, with the approval from the board of governors, may direct the community college district to use up to 1 percent of the district's apportionments allocation on technical assistance and professional development to support efforts to meet the district's efforts towards their goals.

(4) (A) The chancellor's office shall develop processes to monitor the approval of new awards, certificates, and degree programs. The chancellor's office shall also develop a process to monitor the number of students who transfer to for-profit postsecondary educational institutions and report on the growth of transfer to these institutions compared to four-year public postsecondary educational institutions.

(B) The chancellor's office shall also develop minimum standards, in consultation with the oversight committee established pursuant to Section 84750.41, for the approval of certificates and awards that would count towards the funding formula pursuant to this section.

(C) The board of governors shall include instructions in the audit report required by Section 84040 related to the implementation of the funding formula pursuant to this section. The chancellor may require a community college district to repay any funding associated with an audit exception identified in a community college district's audit report pursuant to this subparagraph.

(5) Notwithstanding Section 10231.5 of the Government Code, on or before October 15, 2019, and each year thereafter, the chancellor's office shall report to the Legislature, consistent with Section 9795 of the Government Code, on the course sections and FTES added at each

community college that received apportionment growth funding in the prior fiscal year, including the number of course sections and if any course sections and FTES were added that are within the primary missions of the segment and those that are not within the primary missions of the segment.

(6) (A) On or before July 1, 2022, the chancellor's office shall report to the Legislature and the Department of Finance, consistent with Section 9795 of the Government Code, a description on how community college districts are making progress on advancing the goals outlined in the system's strategic vision plan.

(B) The requirement for submitting a report imposed under subparagraph (A) is inoperative on July 1, 2026, pursuant to Section 10231.5 of the Government Code.

(n) For purposes of this section, the following terms have the following meanings:

(1) "Career development and college preparation" means courses in programs that conform to the requirements of Section 84760.5.

(2) "Chancellor's office" means the Office of the Chancellor of the California Community Colleges.

(3) "Primary missions of the segment" means credit courses and those noncredit courses specified in paragraphs (2) to (6), inclusive, of subdivision (a) of Section 84757.



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

GAVIN NEWSOM - GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 9, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to and Addition of Various Budget Bill Items, Reimbursements, and Trailer Bill Language, Support and Local Assistance, California Student Aid Commission

Cal Grant Supplement (Issue 401)—It is requested that Item 6980-001-0001 be increased by \$414,000 and 1 position, of which \$304,000 is one-time, to support the California Student Aid Commission's implementation of the Cal Grant Supplement for Students with Dependent Children. This augmentation will enable the Commission to provide programmatic technical assistance, develop marketing and outreach materials, and adjust the Grant Delivery System to support the Cal Grant Supplement for Students with Dependent Children.

Student Loan Awareness Initiative (Issue 410)—It is requested that Item 6980-001-0001 be increased by \$5 million one-time to support the Student Loan Awareness Initiative to transfer the proposed Program's administration from the Governor's Office of Planning and Research to the Commission. The Student Loan Awareness Initiative is intended to educate student loan borrowers about their loans, lending practices, and available repayment options.

It is further requested that provisional language be added to Item 6980-001-0001 to conform to this action (see Attachment 1).

Child Savings Accounts Grant Program (Issue 411)—It is requested that Item 6980-103-0001 be added in the amount of \$50 million one-time to reflect the Commission's administration of the proposed Child Savings Accounts Grant Program (see Attachment 2). This grant program will support the development or strengthening of cost-effective models that can be replicated or expanded to increase access to Child Savings Accounts among incoming kindergartners. It is also requested that trailer bill language be added to conform to this action (see Attachment 3).

Teacher Service Credit Scholarship Program (Issue 412)—It is requested that Item 6980-101-0001 be increased by \$89,750,000 one-time to reflect the creation of the Teacher Service Credit Scholarship Program. The program will provide for loan forgiveness grants to teachers meeting certain criteria, with priority for school sites with high percentages of teachers with permits or waivers as their authorizations. It is also requested that trailer bill language be added to conform to this action (see Attachment 4).

It is further requested that provisional language in this item be amended to conform to this action (see Attachment 5).

Cal Grant Supplement (Issue 402)—It is requested that Item 6980-101-0001 be decreased by \$24,940,000 to reflect revised estimates of the Governor's Budget proposal to increase or provide access awards for students with dependent children attending the University of California, California State University, or the California Community Colleges.

Competitive Cal Grant Awards (Issue 403)—It is requested that Item 6980-101-0001 be increased by \$2,047,000 to reflect revised estimates of the costs to increase the number of available competitive awards from 25,250 to 30,000.

Cal Grant Program (Issues 404 and 502)—It is requested that Item 6980-101-0001 be decreased by \$14,017,000 and reimbursements be decreased by \$5,921,000 to reflect the impacts related to the Cal Grant program as follows:

- A decrease of \$19,938,000 in fiscal year 2019-20 to reflect: (1) an estimated decrease in the number of new recipients in 2018-19, which decreases the estimates of renewal students in 2019-20, and (2) the revised estimate of new recipients in 2018-19 is used as the new base for estimates of new recipients in 2018-19, with growth applied.
- An increase of \$5,921,000 General Fund in 2019-20 to reflect expenditures that can be funded with Temporary Assistance for Needy Families (TANF) resources. A corresponding decrease of \$5,921,000 in reimbursement authority from available TANF resources.

Compared to the Governor's Budget, there are decreased costs of \$4,953,000 in 2018-19 to account for an estimated decrease in new recipients.

Middle Class Scholarship Program (Issue 405)—It is requested that Item 6980-101-0001 be increased by \$4,398,000 to reflect changes consistent with revised estimates of costs of the Middle Class Scholarship Program. Compared to the Governor's Budget, there are increased costs for the program of \$33,000 in 2017-18 and \$4,080,000 in 2018-19.

California Military Department GI Bill Award Program (Issue 406)—It is requested that Item 6980-101-001 be amended by increasing reimbursements by \$118,000 to reflect a change in the agreement between the Student Aid Commission and the Military Department. Compared to the Governor's Budget, there are decreased costs for the program of \$13,000 in 2017-18.

Law Enforcement Personnel Dependents Scholarship Program (LEPD) (Issue 407)—It is requested that Item 6980-101-0001 be increased by \$26,000 to reflect changes consistent with revised estimates of costs of the LEPD Program. Compared to the Governor's Budget, there are decreased costs for the program of \$9,000 in 2018-19.

Assumption Program of Loans for Education (APLE) (Issue 408)—It is requested that Item 6980-101-0001 be decreased by \$265,000 to reflect changes consistent with revised estimates of costs of the APLE Program. Compared to the Governor's Budget, there are decreased costs of \$590,000 in 2018-19.

State Nursing Assumption Program of Loans for Education (SNAPLE) (Issue 409)—It is requested that Item 6980-101-0001 be decreased by \$46,000 to reflect changes consistent with revised estimates of costs of the SNAPLE Program.

Middle Class Scholarship Program—It is requested that trailer bill language transmitted with the Governor's Budget be amended to reflect the following changes (see Attachment 6):

- For 2017-18, to align with program estimates, the statutory amount is \$99,938,000.
- For 2018-19, to align with program estimates, the statutory amount is \$107,037,000.
- For 2019-20, to align with program estimates, the statutory amount is \$110,248,000.

Private Nonprofit Cal Grant Award—The Administration proposes new trailer bill language to reflect a change in the deadline for private nonprofit institutions to accept Associate Degrees for Transfer to maintain the maximum Cal Grant tuition award at \$9,084 (see Attachment 7).

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

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

KEELY MARTIN BOSLER

Director

By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN

Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Marlene Garcia, Executive Director, California Student Aid Commission
Mr. David O'Brien, Director of Government Relations, California Student Aid Commission
Ms. Beth Graybill, Deputy Director, Administrative Division, California Student Aid Commission
Ms. Vivian Su, Budget Manager, Administrative Division, California Student Aid Commission

Add the following provision to Item 6980-001-0001:

1. Of the funds appropriated in this item, \$5,000,000 shall be available to develop a student loan and debt awareness outreach initiative to educate student loan borrowers about their loans, lending practices, and available repayment options. Of this amount, up to 5 percent may be used for direct program administrative costs. The outreach initiative shall consist of, but is not limited to, the following:
 - (a) Updating the Student Aid Commission's website with relevant information regarding borrowing, repayment options such as income-based repayment, deferral options, predatory lending and loan servicers, how to read a financial aid letter, how to compare aid packages, and resources such as student loan counseling and information from organizations or state or federal agencies that provide support services for student borrowers.
 - (b) Updating or developing existing training curriculum and materials that can be used to train high school counselors and financial aid administrators to facilitate their ability to provide generalized advice to students who may be considering borrowing as a way to finance their higher education.
 - (c) Developing materials to inform students who file a Free Application for Federal Student Aid or a California Dream Act Application for the intended purpose of attending a California higher education institution with information about student loans, responsible borrowing practices, repayment options, and information on how to access more informational resources available on the Student Aid Commission's website.
 - (d) Developing a student loan awareness partnership network to enable more student loan information be made available to borrowers and prospective borrowers by developing new information distribution channels or partnering with existing distribution channels.
 - (e) Providing grants to nonprofit organizations with established student-loan-related expertise to offer student debt counseling and to assist borrowers in determining which loan repayment options may be most optimal.
 - (f) Developing materials for and providing training to the California Student Opportunity and Access Program consortia that can be utilized to inform students about loans, lending practices, and available repayment options after students complete their educational pathway.
 - (g) Partnering with the State Treasurer's Office on state refinancing programs, public service loan forgiveness and other means to manage debt.

6980-103-0001—For local assistance, Student Aid Commission.....\$50,000,000

Schedule:

(1) 5775-Child Savings Accounts\$50,000,000

Provisions:

1. The funds appropriated in this item shall be expended on the Child Savings Account Grant Program pursuant to Article 1 (commencing with Section 70115) of Chapter 4, of Part 42, of Division 5, of Title 3 of the Education Code.

SECTION 1. Chapter 4, Commencing with Article 1, Section 70115 is hereby added to Part 42 of Division 5, of Title 3 of the Education Code.

70115. (a) There is hereby established the Child Savings Account Grant Program under the administration of the California Student Aid Commission.

(b) The Student Aid Commission shall implement and administer a grant program that supports local governments and nonprofit organizations that sponsor or collaborate on one or more comprehensive citywide or regional savings accounts programs.

(c) Subject to a Budget Act appropriation, the Commission shall distribute grants to qualifying entities determined pursuant to section 70115.1.

70115.1 (a) The commission shall distribute grants to qualifying entities determined pursuant to subdivisions (b) and (c) based on how many of these entities are eligible to receive grants pursuant to subdivisions (b) and (c), the amount of available funding to award grants under the Child Savings Account Grant Program, the number of students that each participating entity intends to serve under the program, and the percentage of low-income families residing in the community served by each participating entity. The amount of each grant award to a participating entity shall be, at minimum, one hundred thousand dollars (\$100,000). These funds shall be available for encumbrance or expenditure by the Commission until June 30, 2022.

(b) (1) The commission shall award grants to eligible entities to seed new Child Savings Account programs and to scale of existing programs.

(2) Seventy-four percent of any appropriation made in support of the Child Savings Account Grant Program shall be used to seed new programs.

(3) Twenty-four percent of any appropriation made in support of the Child Savings Account Grant Program shall be used to scale existing programs.

(4) Two percent of any appropriation made in support of the Child Savings Account Program shall be used by the Commission for outreach, administration, and the provision of technical assistance pursuant to section 70115.2

(c) (1) A qualifying entity seeking a grant to seed a new program shall meet all of the following requirements in order to receive a grant under this title:

(A) Not have a college savings program in operation or have a program under development that is not yet operational, and shall be seeking to establish a college savings program that targets incoming kindergartners, on or after December 31, 2019.

(B) Have a plan or develop a plan to augment the funding allocated pursuant to this title, to provide continued support for a college savings program.

(C) Agree to deposit a minimum contribution of \$100 for any initial deposit into a child savings account opened within their local program.

(D) Indicate that its proposed program has the ability to require participants to opt-in to a child savings account or that its proposed program has the ability to automatically enroll students.

(2) The Commission shall prioritize applications submitted from entities meeting the qualifications of paragraph (1) based upon the following:

(A) The percentage of students in the applicable geographic region who are eligible to receive a free or reduced price meal.

(B) The average and median incomes of families living in the applicable geographic region

(C) The college going rates for students in the applicable geographic region

(D) The amount of funding secured, or planned to be secured, through local budget commitments, philanthropy, or other funding sources.

(E) The fiscal soundness of the grantees long-term plan to sustain its college savings program.

- (F) The number of kindergarteners that would have access to a college savings account.
- (G) Programs that have detailed plans to engage their local families regarding the importance of establishing a college savings account, provide college savings fiscal literacy assistance, and that seek to establish a college going culture.
- (c) (1) A qualifying entity seeking a grant to support an existing program shall meet all of the following requirements in order to receive a grant under this title:
 - (A) Have a college savings program in operation or development that primarily targets pupils in kindergarten on or before December 31, 2019.
 - (B) Have moneys, in addition to funding allocated pursuant to this title, to support its college savings program.
 - (C) Agree to deposit a minimum contribution of \$100 for any initial deposit into a child savings account opened within their local program.
 - (D) Indicate that its proposed program has the ability to require participants to opt-in to a child savings account or that its proposed program has the ability to automatically enroll students.
- (2) The Commission shall prioritize applications submitted from entities meeting the qualifications of paragraph (1) based upon the following:
 - (A) The percentage of students in the applicable geographic region who are eligible to receive a free or reduced price meal.
 - (B) The average and median incomes of families living in the applicable geographic region.
 - (C) The college going rates for students in the applicable geographic region.
 - (D) The amount of funding secured through local budget commitments, philanthropy, or other funding sources.
 - (E) The proportion of families that contribute their own funds to existing accounts.
 - (F) The total amount of funds saved in the program.
 - (G) The number of events the applicant demonstrates it will offer to cultivate a college going culture and to incent deposits with a child savings account.
 - (H) The innovation and/or soundness of the potential to scale or expand their college savings program.
- (d) The Commission shall adopt, as necessary, application procedures, forms, administrative guidelines, and other requirements for purposes of implementing and administering the Child Savings Account Program.

70115.2 (a) The Commission shall use the majority of the two percent allocated for administration pursuant to subdivision (b) of section 70115.1 to conduct outreach to potential grantees, review, score, and select, grantees; and oversee and evaluate grant implementation. The Commission's shall prioritize its outreach toward underrepresented regions of the state that are not already offering a locally developed college savings program.

- (b) Additionally, the Commission, shall provide technical assistance to applicants by developing a toolkit for entities seeking to successfully launch a Child Savings Account program, establishing a working group among grantees to share best practices, and assisting entities that are not already offering a locally developed college savings program in developing an application to receive a grant.
- (c) Potential candidates shall be encouraged to use the technical assistance available through the Commission in developing their plans.
- (d) (1) The Child Savings Account Grant Program Council is hereby established to advise the Commission and grantees on topics including, but not limited to:
 - (A) The development of systems and infrastructure to facilitate the successful implementation and operation of child savings account programs.
 - (B) Outreach and coordination with local programs.
 - (C) Incentives to assist in the development of sustainable and expandable local college savings programs.

(D) Strategies to minimize grantees administrative fees and/or to cap administrative costs to better ensure that the program is low or no cost to program participants.

(E) Contribution strategies, including record keeping and cash deposit strategies.

(F) The development of strategies to address accessibility issues, such as language barriers, identification of eligible students, and banking access.

(2) The Child Savings Account Grant Program Council may include representatives of the Governor's Office, the Commission, successful Child Savings Account Programs, experts in relevant fields such as taxation, savings, outreach, and interested researchers.

SECTION 1. Section 69616 of the Education Code is added to read:

69616. For the purposes of the funds appropriated for the 2019-20 fiscal year in support of provision (h) of item 6980-101-0001, all of the following apply:

(a) (1) Notwithstanding section 69612.5, "eligible school" means a school with teachers holding emergency-type permits.

(2) "Priority school" means a school with a high percentage, as determined by the commission in consultation with the department, of teachers holding emergency-type permits, based on the most recent data available to the Commission on Teacher Credentialing and the department. By January 1, 2020, the commission shall publish a list of priority schools.

(3) For purposes of this section, "emergency-type permits" include, but not are limited to, any of the following:

(A) Provisional internships.

(B) Short-term staff permits.

(C) Credential waivers.

(D) Substitute permits.

(b) Subdivision (f) of section 69613, and sections 69613.1, 69613.7, 69613.8, and 69615.6 shall not apply.

(c) (1) The commission shall enter into agreements for the assumption of student loans for program participants eligible under this article to the extent supported by the funds appropriated for this purpose.

(2) Notwithstanding paragraph (5) of subdivision (a), and subdivision (b) of section 69613, agreements shall be given only to applicants who agree to obtain, or who have obtained, a teaching credential in subjects for science, technology, engineering, and mathematics (STEM), career technical education in STEM areas, special education, bilingual education, or a multiple subject credential.

(3) Priority for these agreements shall be given to applicants who agree to teach at a priority school.

(d) (1) Notwithstanding section 69613.4, the terms of a loan assumption granted pursuant to the Teacher Service Credit Scholarship Program shall be as follows, subject to the specific terms of each agreement:

(A) After a program participant has completed one school year of classroom instruction pursuant to Section 69613.2, the commission shall assume up to two thousand dollars (\$5,000) of the participant's outstanding liability.

(B) After a program participant has completed two consecutive school years of instruction, the commission shall assume up to an additional five thousand dollars (\$5,000) of the participant's outstanding liability, for a total loan assumption of up to ten thousand dollars (\$10,000).

(C) After a program participant has completed three consecutive school years of teaching service, the commission shall assume up to a maximum of an additional five thousand dollars (\$5,000) of the participant's outstanding liability, for a total loan assumption of up to fifteen thousand dollars (\$15,000).

(D) After a program participant has completed four consecutive school years of teaching service, the commission shall assume up to a maximum of an additional five thousand dollars (\$5,000) of the participant's outstanding liability, for a total loan assumption of up to twenty thousand dollars (\$20,000).

(2) For purposes of this section, "school year" means at least 175 school days or its equivalent.

(3) An applicant who teaches on less than a full-time basis may participate in the program, but shall not be eligible for loan repayment until that person teaches for the equivalent of a full-time academic year.

(e) The program shall be referred to as the Teacher Service Credit Scholarship Program.

(f) Funds appropriated for the 2019-20 fiscal year in support of provision (h) of Item 6980-101-0001 shall:

(1) Be available for encumbrance or expenditure until June 30, 2025.

(2) Be provided on a one-time basis to support all four years of the estimated loan assumption costs pursuant to subdivision (d).

Amend Provision 1 of Item 6980-101-0001 as follows:

- “1. The funds appropriated in this item are for costs of all of the following:
- (a) The Cal Grant Program, pursuant to Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5 of Title 3 of the Education Code.
 - (b) The Law Enforcement Personnel Dependents Scholarship Program, pursuant to Section 4709 of the Labor Code.
 - (c) The Assumption Program of Loans for Education, pursuant to Article 5 (commencing with Section 69612) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.
 - (d) The State Nursing Assumption Program of Loans for Education (SNAPLE), pursuant to Article 1 (commencing with Section 70100) of Chapter 3 of Part 42 of Division 5 of Title 3 of the Education Code.
 - (e) The Middle Class Scholarship Program, pursuant to Article 22 (commencing with Section 70020) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.
 - (f) The Cash for College Program, pursuant to Article 3.5 (commencing with Section 69551) of Part 42 of Division 5 of Title 3 of the Education Code.
 - (g) The California Student Opportunity and Access Program (Cal-SOAP), pursuant to Article 4 (commencing with Section 69560) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.
 - (h) The Teacher Service Credit Scholarship Program pursuant to Article 6 (commencing with Section 69612) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.”

SECTION 1. Section 70023 of the Education Code is amended to read:

“70023. (a) For each academic year, the commission shall determine an amount sufficient, when combined with other federal, state, or institutionally administered student grants or fee waivers received by eligible students from other sources, to provide scholarships to eligible students in the amounts described in paragraphs (2) and (3) of subdivision (a) of Section 70022. The University of California, the California State University, and the Office of the Chancellor of the California Community Colleges shall provide the commission with any financial aid data that are necessary for the determination of these amounts.

(b) The commission shall annually determine if the amounts appropriated under this section in each fiscal year are sufficient to cover the costs of the scholarships as projected to be awarded pursuant to the program. If those amounts are not sufficient for this purpose, the scholarships shall be reduced proportionately by an equal percentage for all recipients of scholarships under this article.

(c) The commission may adopt regulations necessary to carry out the purposes of this article under subdivision (b) as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For purposes of the Administrative Procedure Act, including Section 11349.6 of the Government Code, the adoption of those regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare, notwithstanding subdivision (e) of Section 11346.1 of the Government Code. Notwithstanding subdivision (e) of Section 11346.1 of the Government Code, any regulation adopted pursuant to this section shall not remain in effect more than 180 days unless the commission complies with all provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, as required by subdivision (e) of Section 11346.1 of the Government Code.

(d) The unencumbered balance, as of June 30 of each fiscal year, of the amount appropriated from the Middle Class Scholarship Fund pursuant to paragraph (1) of subdivision (e) shall revert to the General Fund.

(e) (1) Upon order of the Director of Finance, the following amounts shall be transferred from the General Fund to the Middle Class Scholarship Fund, and are hereby appropriated to the commission for allocation pursuant to this article:

(A) For the 2014–15 fiscal year, one hundred seven million dollars (\$107,000,000).

(B) For the 2015–16 fiscal year, eighty-two million dollars (\$82,000,000).

(C) For the 2016–17 fiscal year, seventy-one million two hundred forty-four thousand dollars (\$71,244,000).

(D) For the 2017–18 fiscal year, ninety-nine million nine hundred thirty-eight thousand dollars (\$99,938,000). ~~ninety-nine million nine hundred five thousand dollars (\$99,905,000).~~

(E) For the 2018–19 fiscal year, one hundred seven million thirty-seven thousand dollars (\$107,037,000). ~~one hundred two million nine hundred fifty-seven thousand dollars (\$102,957,000).~~

(F) For the 2019-20 fiscal year, one hundred ten million two hundred forty-eight thousand dollars (\$110,248,000). ~~one hundred five million eight hundred fifty thousand dollars (\$105,850,000).~~

(G) For the 2020-21 fiscal year and for each fiscal year thereafter, one hundred seventeen million dollars (\$117,000,000).

(2) An annual appropriation to the commission is hereby established in the amounts and for the fiscal years described in paragraph (1) to carry out the purposes of this section and Section 70022.

(3) It is the intent of the Legislature that any savings realized from changes made to the allocations under this subdivision by a bill providing for appropriations related to the Budget Bill for the 2015–16 fiscal year shall be used to support higher education.

(4) The funds transferred and appropriated pursuant to paragraph (1) shall only be available for encumbrance in the fiscal year in which they are transferred, and the General Fund shall have no liability or any obligation beyond the transfers explicitly authorized in paragraph (1) unless a subsequent transfer or allocation is required pursuant to statute.

(5) In any fiscal year, additional appropriations may be enacted pursuant to statute to carry out the purposes of this article.

(6) (A) Beginning with the Governor's Budget proposal for the 2014–15 fiscal year, and in the Governor's Budget for each fiscal year thereafter, the Department of Finance shall include a fund condition statement for the Middle Class Scholarship Fund for the fiscal year of the proposed budget and the two immediately preceding fiscal years prepared in accordance with existing law.

(B) Upon order of the Director of Finance and commencing with the 2013–14 fiscal year, if the May Revision projects a budget deficit for the next fiscal year, the amount specified in paragraph (1) for the fiscal year for which the budget deficit is projected may be reduced by up to 33 percent.

(f) Subject to an appropriation in the annual Budget Act for its purposes, the commission may begin implementation of, and establish outreach services relating to, this article.”

SECTION 1. Section 69432 of the Education Code is amended to read:

69432. (a) (l) Cal Grant Program awards shall be known as "Cal Grant A Entitlement Awards," "Cal Grant B Entitlement Awards," "California Community College Transfer Entitlement Awards," "Competitive Cal Grant A and B Awards," "Cal Grant C Awards," and "Cal Grant T Awards."

(2) For purposes of this section, "associate degree for transfer commitment" means a commitment by a private nonprofit educational institution that chooses to accept the California Community College associate degree for transfer pursuant to Section 66749.6.

(b) Maximum award amounts for students at independent institutions and for Cal Grant C and T awards shall be identified in the annual Budget Act. Maximum award amounts for Cal Grant A and B awards for students attending public institutions shall be referenced in the annual Budget Act.

(c) (1) Notwithstanding subdivision (b), and subdivision (c) of Section 66021.2, commencing with the 2013-14 award year, the maximum tuition award amounts for Cal Grant A and B awards for students attending private for-profit postsecondary educational institutions shall be four thousand dollars (\$4,000).

(2) Notwithstanding paragraph (1) of this subdivision, subdivision (b) of this section, and subdivision (c) of Section 66021.2, commencing with the 2018-19 award year, the maximum tuition award amounts for Cal Grant A and B awards for students attending private for-profit postsecondary educational institutions accredited by the Western Association of Schools and Colleges shall be eight thousand fifty-six dollars (\$8,056) for new recipients.

(d) Notwithstanding subdivision (b) of this section, and subdivision (c) of Section 66021.2, the maximum tuition award amounts for Cal Grant A and B awards for students attending private nonprofit postsecondary educational institutions shall be as follows:

(1) For the 2015-16, 2016-17, 2017-18, ~~and 2018-19~~, and 2019-20 award years, nine thousand eighty-four dollars (\$9,084) for new recipients.

(2) For the ~~2019-20~~ 2020-21 award year:

(A) (i) If the number of new unduplicated transfer students accepted by private nonprofit postsecondary educational institutions who have been given associate degree for transfer commitments in the ~~2018-19~~ 2019-20 academic year meets or exceeds a target of 2,000, nine thousand eighty-four dollars (\$9,084) for new recipients.

(ii) The ~~first cohort, Fall 2018~~ 2019 cohort, will be reported showing progress towards the annual goal by April ~~2019~~ 2020. The Association representing the largest number of independent colleges and universities will provide by April ~~2019~~ 2020, a list of campuses who have adopted or are in process of adopting the Associate Degree for Transfer pathway.

(B) If the number of new unduplicated transfer students accepted by private nonprofit postsecondary educational institutions who have been given associate degree for transfer commitments in the ~~2018-19~~ 2019-20 academic year is fewer than 2,000, eight thousand fifty-six dollars (\$8,056) for new recipients.

(3) For the ~~2020-21~~ 2021-22 award year:

(A) If the number of new unduplicated transfer students accepted by private nonprofit postsecondary educational institutions who have been given associate degree for transfer commitments in the prior award year meets or exceeds a target of 3,000, nine thousand eighty-four dollars (\$9,084) for new recipients.

(B) If the number of new unduplicated transfer students accepted by private nonprofit postsecondary educational institutions who have been given associate degree for transfer commitments in the prior award year is less than 3,000, eight thousand fifty-six dollars (\$8,056) for new recipients.

(4) For the ~~2021-22~~ 2022-23 award year:

(A) If the number of new unduplicated transfer students accepted by private nonprofit postsecondary educational institutions who have been given associate degree for

transfer commitments in the prior award year meets or exceeds a target of 3,500, nine thousand eighty-four dollars (\$9,084) for new recipients.

(B) If the number of new unduplicated transfer students accepted by private nonprofit postsecondary educational institutions who have been given associate degree for transfer commitments in the prior award year is fewer than 3,500, eight thousand fifty-six dollars (\$8,056) for new recipients.

(5) For the ~~2022-23~~ 2023-24 year and each year thereafter:

(A) If the number of new unduplicated transfer students accepted by private nonprofit postsecondary educational institutions who have been given associate degree for transfer commitments in the prior award year meets or exceeds the target specified in subdivision (h), nine thousand eighty-four dollars (\$9,084) for new recipients.

(B) If the number of new unduplicated transfer students accepted by private nonprofit postsecondary educational institutions who have been given an associate degree for transfer commitments in the prior award year is less than the target specified in subdivision (h), eight thousand fifty-six dollars (\$8,056) for new recipients.

(e) The renewal award amount for a student whose initial award is subject to a maximum award amount specified in this section shall be calculated pursuant to paragraph (2) of subdivision (a) of Section 69433.

(f) It is the intent of the Legislature that a private nonprofit postsecondary educational institution makes a good faith effort to make the process for transferring from the California Community Colleges easier for resident students and a decision determining the maximum award amounts made pursuant to this section for students attending a private nonprofit postsecondary educational institution will be made with consideration of the effort of the institution to make that process easier.

(g) The association representing the largest number of private nonprofit postsecondary educational institutions shall submit a report relative to the implementation of this section to the Department of Finance and the Legislature, in conformity with Section 9795 of the Government Code, on or before

~~March 15~~ April 15 of each year.

(h) For the ~~2022-23~~ 2023-24 award year and each award year thereafter, the target number of new unduplicated recipients accepted by private nonprofit postsecondary educational institutions who have been given associate degree for transfer commitments shall be equal to the number of new transfer students attending private nonprofit postsecondary educational institutions who were given associate degree for transfer commitments in the prior award year adjusted by the percentage change in the total number of new transfer students from the year two years prior compared to the prior year.

SEC. 4. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.