



2017-18 State Budget Impacts on K-12 Education

	January Budget Proposal	May Revision (MR) Proposal	Assembly Budget Committee	Senate Budget Committee	Final 2017-18 Budget Compromise
General Fund	\$122 billion	\$124 billion	XXX	\$900 M higher than MR	
Prop. 98 Minimum Guarantee Budget Year (2017-18)	\$73.511 billion	\$74.6 billion	\$74.6 billion	\$74.1 billion	
Prop. 98 Minimum Guarantee Current Year (2016-17)	\$71.368 billion	\$71.4 billion	\$71.4 billion	\$71.5 billion	
Prop. 98 Minimum Guarantee Prior Year (2015-16)	\$68.671 billion (revised)	\$69.1 billion	\$69.1 billion	Over-appropriates by \$433 M	
LCFF/Prop 98 Deferral	\$859 million	Eliminates deferral	Approve MR	Approve MR	
Prop 98 3B Supplemental Payment – Waive and create maintenance factor	N/A	Gov. Proposal 2016-17, 2017-18 through 2020-21	Approve suspension (no reference to maintenance factor)	Approve MR	
Local Control Funding Formula (44% of remaining gap)	\$744 million (96% funded)	\$1.4 billion (97% funded)	\$1.4 billion	\$1.2 billion	
Prop. 98 Discretionary Grants (K-12 mandates backlog repayment)	\$287 million	\$1.012 billion; pay in May 2019; \$170/ADA	\$855 million; reject MR proposed delay	\$770 million in 2017-18, no delays	
Adult Education Block Grant	\$500 million	\$500 million	\$500 million	\$500 million	
Child Care and Early Education	Pause	Restores \$500 M in rates and slots	Approve MR, add \$30 M more for additional 2,624 full-day preschool slots for LEAs; \$30 M GF for additional 2,710 child care slots (1,590 AP and 1,120 general child care)	Approve MR	
Career Technical Education Incentive Grant Program	\$200 million (last appropriation)	\$200 million using one-time funds	Approve MR	Approve MR	
Selected Categorical Program COLA (Special Ed, Foster Youth, American Indian ECE,	\$58.1 million (1.48%)	\$76.8 million (1.56%)	Approve MR	Approve MR	

American Indian Ed Centers, Child Nutrition, CA State Preschool)					
Instructional Quality Commission	Delays current deadlines in VAPA, world languages, CS, Ethnic Studies savings of \$948 K in GF	No Change in proposal	XXX	Provides \$245 K in one-time GF, TBL for IQC to adopt HH/SS and Health framework	
K-12 Prop. 39 Energy Efficiency Grants	\$422.9 million	\$376.2 million for last appropriation	Approve revenues and include TBL to extend encumbrance date by 12 months to June 30, 2019.	Approve \$; Extends encumbrance date of existing funds by 9 months to March 31, 2018; Allocate remaining funding \$75 M for bus replacement & \$100 M for loans for EE projects	
Prop. 47 Truancy and Dropout Prevention Grant Program (+Restorative Justice Grants) for Learning Communities for School Success Program	\$10.1 million	\$11.3 million (\$10.7 M for grants)	Approve MR	Approve MR	
Prop. 56 Tobacco and Nicotine Prevention	\$29.9 million	\$32 million (\$30.4 M for grants)	Approve revised revenues, use Prop 56 and Prop 64 funds by requiring ASES programs to establish tobacco/drug prevention program in 19-20	Approve, adopt TBL to provide funding to supplement TUPE program	
After School Education and Safety (ASES) Program (\$550 M guaranteed funding annually)	No proposal	No proposal	\$70 M one-time Prop 98 in 17-18; Prop 56 funds - \$30 M; beginning 18-19, requires \$70 M in Prop 64	Provide \$25 M ongoing funding and COLA of \$8.6 M in 17-18 (\$33 M total)	

			(Marijuana) to be used for ASES		
K-12 Mandate Block Grant	Adds \$8.5 million for training of school employee mandated reporters program	In addition to January proposal, proposes TBL to add CAASPP into block grant w/ no new funding	Approve MR	Approve \$8.5 M for mandated reporters; Add COLA to block grant; Reject proposal to add CAASPP mandate w/ no new funding	
Federal Title II funds for teacher and school leadership professional development	\$0	\$11.327 M in one-time funds for competitive grant program	Approve MR	Approve, but \$4 M to be allocated to CA STEM Professional Teaching Pathway (Allen)	
Teacher Residency Three Year Program -- (AB 1217) Bocanegra	No proposal	No proposal	\$25 million one-time Prop 98	No proposal	
Classified School Employee Teacher Credential Program	No proposal	No proposal	\$25 million one-time Prop 98 for existing program for additional 1,000 employees	No proposal	
Golden State Teacher Grant Program (\$20,000 each grant) for teaching credential (AB 169) O'Donnell	No proposal	No proposal	\$25 million one-time Prop. 98	No proposal	
Bilingual Teacher Professional Development Program -- (AB 952) Reyes	No proposal	No proposal	\$10 million one-time Prop 98	No proposal	
Southern CA Regional Occupational Center (SoCalROC) Transition Funding	No proposal	\$10 M Prop 98, first allocation over four years (\$4 M in 17-18; \$3 M in 18-19; \$2 M in 19-20; \$1 M in 20-21)	Approve	Approve	
County Offices of Education – LCAP work	No proposal	No proposal	\$20 M one-time Prop 98; include	No proposal	

			TBL requiring COE's work w/ CCEE in support to districts		
Electronic LCAP Template	No proposal	\$350 K in one-time Prop 98	Approve	Approve	
Develop California School Dashboard App – San Joaquin COE	No proposal	No proposal	\$50 K one-time Prop 98	No proposal	
Refugee School Impact Grants (methodology used for this federal grant program)	No proposal	No proposal	\$10 M one-time Prop 98 for DSS	No proposal	
California Historical Society (Partnership with CA History-Social Science Project) – collect archival resources to offer teachers	No proposal	No proposal	\$5 M one-time Prop 98	No proposal	
Equity Performance and Improvement Team at CDE to support & build capacity of CDE and LEAs to promote equity in schools	No proposal	No proposal	\$2.5 M one-time non-Prop 98 funds	No proposal	
Teaching About Labor, Immigrant Workers and Workplace Rights Pilot Project (3 year) – Trainings & resources for teachers at 4 districts on history of labor	No proposal	No proposal	\$2.7 M one-time funds	No proposal	
CTE and Workforce Development	Gov proposes to fold funding for CDE's position of SB 1070 funds (\$15.4 M out of \$48 M) into CCC workforce program	No change in January proposal	Provide \$15 M ongoing K-12 Prop 98 funds for CTE Pathways Program	Approve \$15.3 M for CDE to continue administer on K-12 portion of CTE Pathways Program	
Charter School Start-Up Grant Funding (Prop 98 Reappropriations to increase 6100-488 item by \$20 M to reflect unspent Prop 98 funds)	\$20 M one-time appropriated in 2016-17 to backfill federal loss	\$20 M now available for other purposes, no longer needed as federal funds received for this	Reappropriates \$20 M for CDE to develop grant program for start-up costs for magnet schools -- (AB 716) O'Donnell	XXX	
Charter School Facilities Incentive Grant Program	No proposal	Increases rate from \$750/ADA to \$1,236/ADA to apply COLA, funded using program savings	Reject MR proposal to increase grant amounts & COLA	Approve funding, but take out COLA in future years	

Early Childhood Education Flexibilities	<ul style="list-style-type: none"> -Authorizes electronic applications -Aligns homeless definition -Eliminates TK minutes waiver -Title 22 exemption -Adult to child ratio of 1:12 if certificated teacher or QRIS Level 3 or 4 -Allows students w/ disabilities 	No change to January proposal; only clean up	<p>Approve TK minutes, special ed students, electronic applications & homeless definition; Approve ratios for 4 years only of 1:12 if lead teacher has multiple subject credential & met TK ECE units; Adopt TBL to allow preschools by LEAs to waive initial inspection by DSS but don't exempt LEAs from Title 22; Require CDE and DSS to convene stakeholder progress on Title 22 & Title 5 regs</p>	<ul style="list-style-type: none"> -Approve electronic applications, homeless definition, TK minutes & special ed proposals -Adopt TBL to exempt State Preschool Programs run by districts from Title 22 effective 2018-19 -Reject adult to child ratio flexibilities 	
Preschool Eligibility – State Median Income	No proposal	No proposal	\$20 M ongoing GF to update SMI to 70%; allow eligibility until reach 85% of SMI; 12 month eligibility	\$20 M ongoing GF to update SMI to 70% & 12 month eligibility, defining ongoing eligibility at or below 85%	
Student Assessment Program - Resources	No proposal	\$502 K Prop 98 for PD of NGSS through CAASPP Science Academy	Approve MR	Reject funding for Science Academy, instead use \$ for SB 544 (McGuire) to vet locally developed assessments	

				for ELD, NGSS & CTE	
California Regional Environmental Education Community Network -- SB 424 (Allen)	No proposal	No proposal	No proposal	\$4 M in one-time Prop. 98	
History Social Science and Health Frameworks Professional Development and Resources (PD over 3 years)	No proposal	No proposal	No proposal	\$16 M in one-time Prop. 98	
Title XI Training – for CDE to develop guidance on helping LEAs comply with state and federal law provisions to prevent and address sexual harassment and violence	No proposal	No proposal	No proposal	\$275 K one-time GF	
English Learner Reclassification – SB 463 (Lara)	No proposal	No proposal	No proposal	\$437 K in Title III federal state operations funding	
Fremont School for the Deaf – Middle School Activity Center	No proposal	Reappropriate \$1.7 M in capital outlay non-Prop 98 GF	Reject to use funds for other GF priorities	Approve	

Governor’s May Revision Language:

Facilities Bond Program Audit Expenditure Language: Enact TBL that requires facility bond expenditures to be included in the annual K-12 Audit Guide, where independent auditors verify that LEAs participating in the School Facilities Program have appropriately expended state resources. Local audit requirement would apply to all completed School Facilities program projects and projects savings applicable to other high priority capital outlay projects.

-Assembly proposed modified TBL that “ineligible expenditures shall be repaid pursuant to Ed Code Section 17076.10, consistent with current law and Prop 51 to allow districts to use any local funding source to repay ineligible expenses, repays ineligible expenses back to the bond fund, and charges State Allocation Board with approving repayment plan instead of DOF and OPSC

Adult Education Block Grant Program: Enact TBL to require Adult Education Block Grant Program funds received by a participating school district to be deposited in a separate fund of the school district to be known as the Adult Education Fund and would require moneys tin the Adult Education Fund to be expended only for adult education purposes.

Senate Proposed TBL:

Uniform Complaint Procedures: “The SPI shall report to the Legislature no later than November 30, 2017 with recommendations for any legislative changes to UCP process on timeframes for completion of investigations and reviews of appeals. The required report shall also include an update on the CDE’s efforts to centralize tracking of UCP complaints and appeals and to streamline to UCP processes across divisions.”

Districts of Choice: Approve TBL to extend the sunset date of the District of Choice Program until July 1, 2022.

Assembly Proposed TBL:

School Nutrition and After School Program Procurement Process: Due to California Public Contract Code, school districts may only award RFP contracts to the lowest bidder, without taking into consideration the quality or diverse foods. Include TBL to align CDE's RFP procurement requirements with the federal requirements, which allows for other considerations when awarding a contract, instead of only cost.

Induction Programs: Include TBL requiring school districts to offer beginning teacher induction programs at no cost to teachers (Cervantes' AB 410)

Full-Day Kindergarten: Requires the Legislative Analyst's Office (LAO) to provide an analysis and recommendations on options for incentivizing full-day Kindergarten programs, including providing full-day and part-day funding rates for Kindergarten and Transitional Kindergarten. The 2016-17 budget required the CDE to provide the Legislature with an evaluation of the average costs associated with full-day and part-day kindergarten programs and recommendations for incentivizing full-day programs. This report is due July 1, 2017. Building on this report, the LAO shall provide recommendations based on CDE's report and their own analysis. The LAO shall report to the Legislature by December 1, 2017 with these recommendations.