

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	\$126.2 billion	\$123.8 billion	\$125.1 billion
Prop. 98 Minimum Guarantee Budget Year (2017-18)	\$73.511 billion	\$74.6 billion	\$74.6 billion	\$74.1 billion	\$74.5 billion
Prop. 98 Minimum Guarantee Current Year (2016-17)	\$71.368 billion	\$71.4 billion	\$71.4 billion	\$71.5 billion	\$71.4 billion
Prop. 98 Minimum Guarantee Prior Year (2015-16)	\$68.671 billion (revised)	\$69.1 billion	\$69.1 billion	\$69.1 billion	\$69.1 billion
LCFF/Prop 98 Deferral to July 2017	\$859 million	Eliminates deferral	Approve MR	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 MR	Approve MR	Approve MR
Local Control Funding Formula (44% of remaining gap)	\$744 million (96% funded)	\$1.386 billion (97% funded)	\$1.341 billion	\$1.151 billion	\$1.362 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	\$876.6 million
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	Approve \$8.5 M for mandated reporters; add CAASPP mandate to block grant without new funding; add COLA to block grant in 17-18
Selected Categorical Program COLA (Special Ed, Foster Youth, American Indian ECE, American Indian Ed Centers, Child Nutrition, CA State Preschool)	\$58.1 million (1.48%)	\$76.8 million (1.56%)	Approve MR	Approve MR	Approve MR
Adult Education Block Grant	\$500 million	\$500 million	\$500 million	\$500 million	\$500 million
Career Technical Education Incentive Grant Program	\$200 million (last appropriation)	\$200 million using one-time funds	Approve MR	Approve MR	Approve MR
CTE and Workforce Development (CA Partnership Academies, FFA included)	Gov proposes to fold funding for CDE's position of	No change in January proposal	Provide \$15 M ongoing K-12 Prop 98 funds for	Approve \$15.3 M for CDE to continue	\$15.3 million

	SB 1070 funds (\$15.4 M out of \$48 M) into CCC workforce program		CTE Pathways Program	administer on K-12 portion of CTE Pathways Program	
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 MR	Approve MR	Approve MR
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	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	Approve MR
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 (Marijuana) to be used for ASES	Provide \$25 M ongoing funding and COLA of \$8.6 M in 17-18 (\$33 M total)	\$50 million
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	Approve MR; extend encumbrance date through June 30, 2019

				& \$100 M for loans for EE projects	
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)	Approve MR
Teacher Residency Three Year Program -- (AB 1217) Bocanegra	No proposal	No proposal	\$25 million one-time Prop 98	No proposal	\$0
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	\$25 million one-time
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	\$0
Bilingual Teacher Professional Development Program -- (AB 952) Reyes	No proposal	No proposal	\$10 million one-time Prop 98	No proposal	\$5 million one-time
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	\$5 million one-time
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	\$2.5 million one-time
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 Prop 98 funds	No proposal	\$0
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	\$10 million one-time
California Regional Environmental Education Community Network -- SB 424 (Allen)	No proposal	No proposal	No proposal	\$4 M in one-time Prop. 98	\$4 million one-time
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	\$2.5 million one-time
English Learner Reclassification – SB 463 (Lara)	No proposal	No proposal	No proposal	\$437 K in Title III federal	\$437 K in Title III federal

				state operations funding	funds
Instructional Quality Commission	Delays current deadlines in VAPA, world languages, CS, Ethnic Studies savings of \$948 K in GF	No Change in proposal	Reject MR	Provides \$245 K in one-time GF, TBL for IQC to adopt HH/SS and Health framework	Reject January proposal to delay deadlines, and instead provides \$ to meet timeline
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	Approve MR
County Offices of Education – LCAP work	No proposal	No proposal	\$20 M one-time Prop 98; include TBL requiring COE's work w/ CCEE in support to districts	No proposal	\$7 million ongoing funding; TBL requiring COE's work with CCEE
Electronic LCAP Template	No proposal	\$350 K in one-time Prop 98	Approve MR	Approve MR	Approve MR
Develop California School Dashboard App – San Joaquin COE	No proposal	No proposal	\$50 K one-time Prop 98	No proposal	\$50 K one-time
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	\$10 million one-time
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 MR	Approve MR
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	No proposal	Approve MR

Charter School Facilities Incentive Grant Program	No proposal	Increases rate from \$750/ADA to \$1,117/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	Approve MR
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	Approve MR
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 	<ul style="list-style-type: none"> -Approve electronic applications, homeless definition, TK minutes & special ed proposals; Tile 22 exemption would go into effect on July 1, 2019 after LAO convenes stakeholder group to evaluate health and safety requirements are maintained
Preschool Eligibility – State Median Income	No proposal	No proposal	\$20 M ongoing GF to update SMI to	\$20 M ongoing GF to update	\$25 Million

			70%; allow eligibility until reach 85% of SMI; 12 month eligibility	SMI to 70% & 12 month eligibility, defining ongoing eligibility at or below 85%	
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Budget Trailer Bill Language:

New Employee Orientation: Requires public employers to provide exclusive representatives of public employees access to its new employee orientation during whatever process a public employer uses to advise new hires of their employment status, rights, benefits, etc., but avoids prescriptive language related to the details of this access. Instead, the parties must reach mutual agreement regarding the structure, time and manner of union access to new employee orientations. While the TBL is not yet in print, the language will specify an arbitration process for disputes between the public employer and the exclusive representative, among other provisions.

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

County Office of Education Accountability Work: Adopts TBL requiring county superintendents to provide a summary of how the superintendent will support school districts and schools within the county in completing and implementing their LCAPs and present the summary annually to the county board of education meeting. Requires the summary to include information on how the superintendent will collaborate with the California Collaborative for Educational Excellence (CCEE), the Department of Education, and other county superintendents of schools to support school districts and schools within the county. In addition, requires the Superintendent of Public Instruction (SPI) to provide technical assistance to the county superintendent, if the SPI finds merit in a complaint against a county superintendent related to the approval of a district’s LCAP.

Academic Performance Index: Allows the Superintendent of Public Instruction to suspend the calculation of the Academic Performance Index by one additional year

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 in the Adult Education Fund to be expended only for adult education purposes.

Districts of Choice: TBL extends the sunset date of the District of Choice Program until July 1, 2023, and amends the law to address program equity and accessibility, increase transparency and reporting requirements, and make other minor program changes. In addition, the Superintendent is required to provide specified information on the program to the Legislature, Legislative Analyst’s Office, and the Department of Finance each year. The LAO is further required to provide an evaluation of the program by January 31, 2021.

Full-Day Kindergarten: Requires LAO to provide an analysis and recommendations on options for incentivizing full-day Kindergarten programs, including providing differentiated funding rates for full-day and part-day 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 March 1, 2018 with these recommendations.