

# 2016-17 Budget

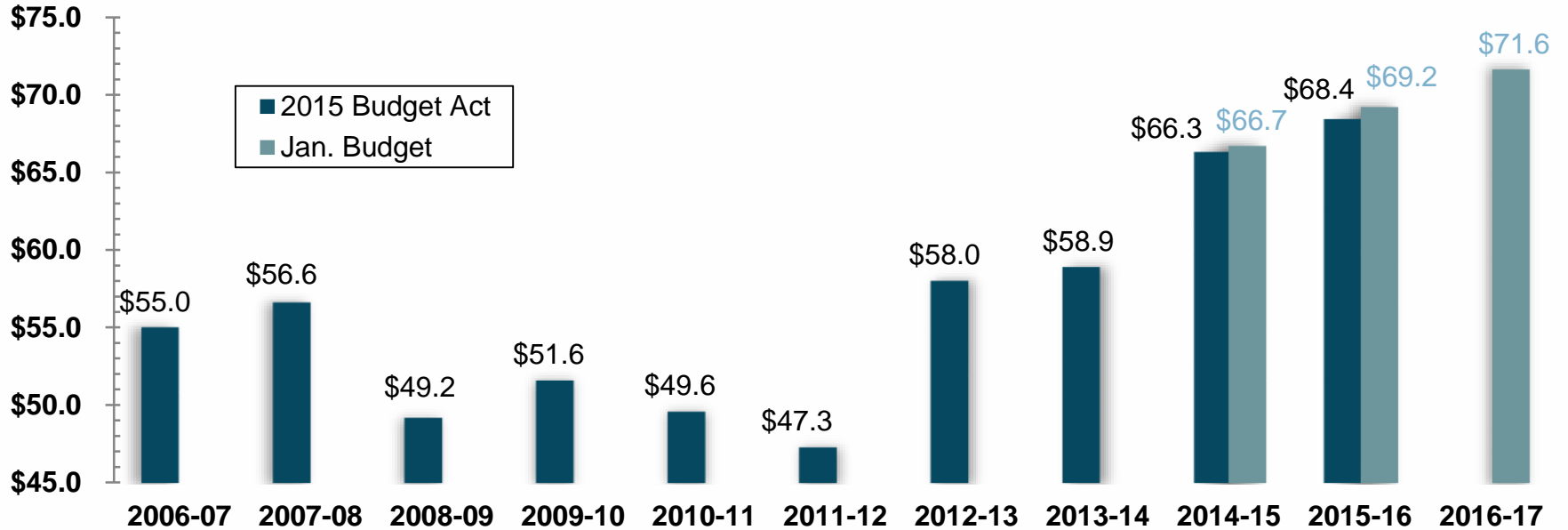
Governor Brown's January Proposal

# Strong Budget for Education

- Finishes paying off the deferrals in 15-16
- Funds Prop 98 Guarantee –increase of \$3.2 billion
- Prop 98 Per-Pupil Spending projected \$10,591, up \$368
- Funds LCFF with \$2.8 billion – bringing to 95% of full implementation
- Provides \$1.2 billion in new one-time flexible funding
- COLA of .47% on most remaining categoricals
- Continues funding for Adult Ed and CTE

# Prop 98 Over Time - Looking Back

## (Dollars in Billions)



# What's New?

- \$30 million for learning and behavioral supports
  - (Builds on last year's \$10 million investment)
- \$20 million for charter school startups
  - (offsets loss of federal funding)
- \$7.3 million in Prop 47 funding for truancy and dropout prevention

# Early Education: A Discussion Starts

- Governor proposes Early Education Block Grant
- No new money:
  - \$880m – State Preschool
  - \$725m – Transitional Kindergarten
  - \$50m – Preschool Quality Rating & Improvement
- Greater local financial flexibility; No LEA receives less
- Prioritizes lowest income & most-at-risk four & five-year olds
- Streamlines administration

# Early Education Proposal Objectives

- Align & integrate with LCFF and LCAP
- Provide more funding for programs for neediest children
- Move to an all voucher childcare program
  - (no more CDE contracts with childcare centers)
- Funds run through LEAs to provide services or contract
- Provide more discretion to implement programs aligned with local priorities

# What's Not There?

- Replacement for Prop 30 revenue
- Targeted program expansion
- Facilities funding
- Retirement contribution relief
- Reserve cap fix

# District Reserve Cap

- SB 799 (Hill, Glazer) introduced with 17 coauthors
  - Narrows funds to which the cap applies to only unassigned in general fund and special reserve fund for other than capital outlay (no assigned funds)
  - Raises cap to 17 percent
  - Exempts small districts (less than 2,501 ADA) and basic aid districts
- Continuous lobbying from school community and public interest groups coupled with media attention could increase pressure on Legislature to act - [www.fixthecap.com](http://www.fixthecap.com)