



LEGISLATIVE VERSION STATE BUDGET 2015-16

CSBA Business Partner & Affiliate Briefing

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TODAY'S PRESENTERS



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WHERE WE WERE IN JANUARY

January proposal increased education \$7.8b
- an increase of \$306 per-pupil over the level
provided in 2014-15

- \$4 billion more for LCFF – 32% closure of gap to full funding
- Repays all inter-year deferrals
- \$77.5 billion total for K-12



WHAT CHANGED IN MAY

- Adds \$6.1b (\$2.7b ongoing & \$3.5b one-time)
 - Total funding \$83 billion for K-12
 - Prop 98 - \$68.4 billion for K-12
- LCFF funded \$53.1 billion – closes gap 53% (90% funded)
- COLA down from 1.58% to 1.02%
- Earned income tax credit – reduces guarantee

BIG MONEY

Adjustments for 13-14 and 14-15

+

January Budget for 15-16

+

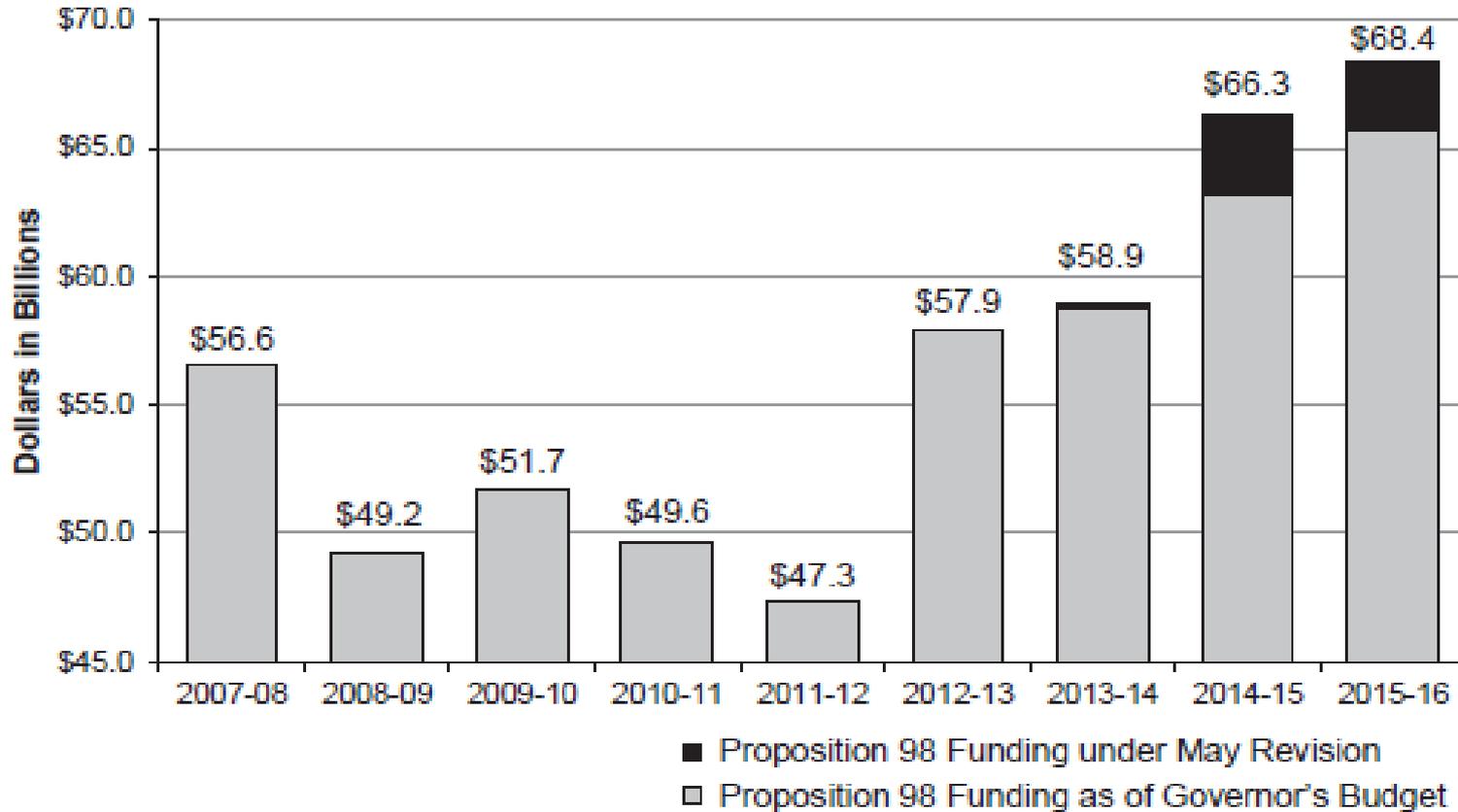
May Revision

=

***\$13.9 billion more for schools
since July 2014 Budget***

BIG MONEY

Figure INT-03
 Proposition 98 Funding
 2007-08 to 2015-16



LEGISLATURE ADDS MORE

LAO Higher Revenue Estimates

=

Higher Proposition 98 Guarantee

=

\$61 million

\$720 million more for K-12 education



- \$6.1 billion distributed per LCFF
- Closes the remaining gap by 51.1%
- Brings LCFF to 90% funded without changing 8 year timeline (2020-21)

- **Entitlement Target** = Base Grant + GSAs + Supplemental Grant + Concentration Grant + Add-ons
- **Base Grant** per ADA (with 1.02% COLA)

<u>K-3</u> = \$7,083	<u>7-8</u> = \$7,403
<u>4-6</u> = \$7,189	<u>9-12</u> = \$8,578
- **GSAs** – 10.4% (\$737) per K-3 ADA; 2.6% (\$223) per 9-12 ADA

ONE TIME MONEY

- \$3.1b Per ADA – Standards & Mandates
- \$60m Special Ed Task Force Report Recos
- \$400m CTE Incentive Grants
- \$40m COE new responsibilities
- \$4.6m QEIA transition for specific districts
- \$2m Teacher Training – Wiesenthal Center

- Continues to count one-time money provided as an off-set of applicable mandate claims
- \$3.1 billion one-time *implementation of standards* allocation applied to mandate reimbursement debt, etc. —
Approximately \$565/ADA



LEGISLATURE'S NEW MONEY FOR NEW PROJECTS

- Childcare and Preschool – Big Winner
- Foster care work by County Offices
- Teacher/Admin training (1-time)
- Less for charter facilities grants and high speed internet connectivity

They are different!

Compromise:

- \$265m split 98 & non-98
- 7,000 new preschool slots & 6,800 new child care slots
- 2,500 part-day preschool slots for special needs children 0-2 years
- Increases rates all around

Special Education Task Force
recommendations funded \$60 million

- \$30m – early interventions
- \$12m – preschool slots for special needs children
- \$6m – preschool training
- \$10m – TA and statewide resources for supports and interventions (one-time)



CTE INCENTIVE GRANTS

CTE +\$150m in Jan + \$250m new
total \$400m new CTE expansion funds

Phases out the grant matching program over
3 years until LEAs fully responsible.

Continues to be competitive grant program –
but splits small/med/large district pots

No changes...

Continues January proposals to severely limit state role in facilities funding:

- No state bond money
- Restructure developer fees
- Expand local funding capacity
- Expand allowable uses of routine restricted maintenance



ADULT EDUCATION

- Maintains \$500 million from January
- Adult Ed Block Grant program
 - Joint with Community Colleges
 - Eliminates allocation boards within consortia
 - Provides 2 year budget planning
 - Integrates WIB & Perkins funding

Legis adds \$25 million for new AE Data System

WHAT'S NOT HERE

- Changes to the Reserve Cap
- Funding plan for School Facilities
- PERS/STRS mitigation

PREDICTIONS

Governor has made a deal down nearer (but not all the way) to his May revenue number
Anticipating few education vetoes ...



Addition of one-time professional development funding is the start of restoration of categorical funding.



QUESTIONS?

Please type your questions in the chat pod located in the lower left-hand corner of your screen.



THANK YOU

Thank you for joining us for today's webinar!

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