



June 23, 2020

**MEMORANDUM**

**TO: Interested Parties**

**FM: Dale F. Shimasaki, Ph.D.**

**RE: Legislative Action on the 2020-21 Budget**

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## I. BACKGROUND

### The State Budget: Round 2

To meet its constitutional deadline, the Legislature approved on June 15 their version of the budget, SB 74, which now sits on the Governor's desk. The Governor and Legislature, however, continued to negotiate and reconcile differences this past week so that local districts could have additional tools for their spending plans before July 1, the start of the fiscal year. The recent budget agreement or round 2, reflected in SB 121, supplements and changes the earlier budget bill.

Due to the COVID-19 pandemic, both the federal and state government delayed the filing date for income taxes to July 15. After income tax data is compiled, the Department of Finance and legislative budget committees will have a complete picture of what revenues the state has to construct a final spending plan. The Legislature is expected to continue working on a final budget process before they leave in August. At that time local districts will know what funds are at their disposal. Unfortunately, the schedule does not work in sync with the academic calendar.

The recent negotiations and budget agreements are meant to further help districts navigate under the financial uncertainty of the pandemic. K-12 districts and community colleges may have to wait until October before they know if billions in deferrals will need to be triggered as a result of the federal government failing to provide additional support to K-14 education.

When the Legislature passed their own version of the budget on June 15 – SB 74, which sits on the Governor's desk – it did include many of the Governor's May Revision proposals. The new budget bill, SB 121, along with a number of budget trailer bills, reflects the latest agreement between the Governor and Legislature.

The adjustments include the implementation of large apportionment deferrals, totaling over \$10 billion for 2020-21, which includes \$1.85 billion in 2019-20. Over \$5 billion of these deferrals could be rescinded if additional federal funds become available. As once highlighted by the Legislative Analyst Office (LAO), deferrals are appealing because they provide one year of state savings without requiring school districts to reduce their spending.

The latest budget agreement also intends to hold school districts harmless – ADA for LEAs in 2020-21 shall be based on 2019-20 ADA reported at the second apportionment period (P2) for all full school months from July 1, 2019, to February 29, 2020. And, while there will be no COLA for 2020-21, LCFF base amounts are no longer dramatically cut as proposed in the Governor's May Revision. Also, the negotiated agreement includes a number of new budget provisions related to instructional time, and distance learning were agreed upon.

For the state's community colleges, the 2020-21 budget agreement similarly prevents cuts to apportionments and categoricals by deferring \$1.45 billion to future years. Of the \$1.45 billion deferrals, \$791.0 million would trigger-off if Congress approves a fourth stimulus package by October 1, 2020. And, Calbright College, the state's digital online community college campus, after being viewed as a lower priority by the Legislature, continues to remain in-tact.

As the Legislature and Governor continue to assess the health and economic impact of the pandemic, we enter Stage 3 of the phased-in economic reopening. There is no question that the pandemic is impacting everyday life as we know it, including how to plan for the unknown.

## II. Proposition 98 and State Reserves

### Proposition 98:

The Proposition 98 minimum funding guarantee for K-12 schools and community colleges is set at \$45.1 billion for the 2020-21 fiscal year, its lowest point since the beginning of the 2008-09 Great Recession and a stark difference from the \$55.9 billion levels in the 2019 Budget Act.

Specifically, the 2020 Budget Act:

- Creates an annual adjustment equal to 1.5 percent of the total General Fund revenues beginning in 2021-22 that will be added on top of the annual Proposition 98 minimum guarantee until it reaches the pre-2020 level.
- Leverages anticipated and in-hand federal funds to spend above the Proposition 98 minimum guarantee in General Fund at \$78.5 Billion, for the 2020-21 Budget Year.
- Adopts the May Revise “Pay Back” scheduled for the difference between total Prop 98 funding level and Test Two in the Guarantee.
- Draws down nearly \$7.0 billion in total state reserves, with an additional \$4.0 billion drawdown in the absence of federal funds.

### III. K-12

The final 2020 Budget Act agreement includes a “federal trigger” provision that would initiate an additional \$5.7 billion deferral for K-12 schools if at least \$14 billion in federal aid is not received by October 15, 2020. If an amount above \$2 billion, but below \$14 billion, is received before October 15, 2020, the \$5.7 billion deferrals will be proportionally reduced to reflect the amount received.

#### K-12 Expenditures and Adjustments (in millions)

Item Description	Final Budget Amount
COLA Local Control Funding Formula	\$0
Apportionment Deferrals	
2019-20	-\$1,900.0
2020-21	-\$3,400.0
2020-21 “federal trigger”	-\$5,700.0
Special Education	
Base Grant*	\$545.0
Low-Incidence Augmentation*	\$100.0
Golden State Teacher Pipeline (non-98)	\$15.0
Alternative Dispute Resolution	\$8.6
Dyslexia (federal)	\$4.0
Studies/Research	\$1.1
Learning Loss Mitigation (CARES Act)	
LCFF Augmentation (federal)	\$2,855.0
Special Education Augmentation (federal)	\$1,500.0
LCFF Formula (non-98)	\$979.0
ESSER Funds (CARES Act) (federal)	\$1,480.0
Professional Development Initiatives	
Educator Workforce	-\$350.0
Teacher Residency	-\$175.0
Credential Awards	-\$100.0
Classified Teacher Credential Program	-\$64.0
One-Time Initiatives	
Opportunity Grants	-\$300.3
Community Schools	-\$300.0
Child Nutrition	-\$70.0
California Collaborative for Educational Excellence	-\$18.0
Computer Science Supplementary Authorization	-\$15.0
Online Resources	-\$2.5
College Guidance	-\$2.5
Computer Science Resources	-\$2.5
School Climate Workgroup	-\$0.15
After School Education and Safety (ASES) Program*	\$100.0
K-12 Strong Workforce Program*	\$79.4
Career Technical Education Grants*	\$77.4
Agricultural Career Technical Education Grants*	\$2.1
Partnership Academies*	\$9.4
Adult Education Block Grants*	\$66.7

Exploratorium*	-\$3.5
Online Resources*	\$3.0
Specialized Secondary Program*	\$2.4
Clean Technology Partnership*	\$1.3

\*denotes an ongoing expenditure

- Cost-of-living adjustment
  - Suspends the 2.31% COLA for the Local Control Funding Formula, which would have been equal to \$1.148 billion
- Deferrals
  - A total of \$11.0 billion of K-12 apportionments is set for deferral in 2019-20 and 2020-21, with up to \$5.7 billion in 2020-21 subject to a “federal trigger” if additional federal funds are received before October 15, 2020.
- Special Education
  - A total of \$653.6 million is distributed through the AB 602 base grant formula and a low-incidence augmentation. \*
  - A total of \$20.1 million non-Prop 98 funds are available for the Golden State Teacher Pipeline program, Dyslexia identification and treatment programs, and Governance and Accountability research studies.
- Learning Loss Mitigation (CARES Act)
  - \$2.855 billion is distributed to K-12 school districts based on their statewide proportion of combined LCFF Supplemental and Concentration Grant funds.
  - \$1.5 billion is distributed to K-12 school districts based on their total number of pupils with exceptional needs.
  - \$979.0 million is distributed to K-12 school districts based on their statewide proportion of total LCFF entitlement for the 2019-20 fiscal year.
- Elementary and Secondary Relief (ESSER) Funds (CARES Act)
  - \$1.48 billion is distributed to K-12 school districts based on the amount of Title I-A funds received in the 2019-20 fiscal year. Funds are available to support COVID-19 related costs.
- Professional Development Initiatives Removed
  - All professional development initiatives proposed in the January Budget are removed from the 2020 Budget Act.
- One-Time Initiatives Removed
  - All one-time initiatives proposed in the January Budget are removed from the 2020 Budget Act.
- Ongoing Initiatives Restored
  - With the exception of the San Francisco Exploratorium, all ongoing initiatives listed in the above chart have been restored from the proposed cuts in the 2020 May Revision.

#### **IV. California Community Colleges**

##### Apportionments:

- No COLA
- No funding for enrollment growth
- Deferrals:
  - \$662.1 million deferrals of funds from the 2020-21 to the 2021-22 year.
  - \$791.1 million deferrals of funds if federal funds are not made available to the community colleges.
  - Allows districts to be exempt from deferral requirements if they are unable to meet financial obligations
- Extends hold harmless provision from 2021-22 through the 2023-24 year.

##### Categorical Programs:

- No cuts to existing categorical education programs
- COVID-19 Block Grant [one-time]. Provides a \$120 million for a COVID-19/learning loss block grant:
  - \$60.0 million from one-time Proposition 98 funds
  - \$60.0 million from federal CARES Act funds
    - \$55.0 million in federal funds must be expended by December 31, 2020
  - Uses:
    - mental health services,
    - housing/food insecurity,
    - technology/development of online courses
    - assist students who left college in Spring 2020
    - student support services
- Student Equity and Achievement Program. Adds food pantry as a component of services to offer for the program.
- Immigrant Legal Services. Continues \$10.0 million in funding.

##### Calbright College:

- Reduces on-going funding by \$5.0 million
- Reduces one-time funding by \$40.0 million

##### Capital Outlay:

- Funds 40 capital outlay projects from Proposition 51 funds.

##### Other:

- Disaster Relief Emergency Student Financial Aid:
  - Uses funds from CA Dreamer Service Incentive Grant Program for disaster emergency student financial aid to students in UC, CSU, and CCC.
  - Appropriations schedule:
    - \$11.0 million to the CA Community Colleges
    - \$3.0 million to the CSU
    - \$1.0 million to the UC
  - Report. UC, CSU, and CCC shall report the Department of Finance and Jt. Legislative Budget Committee on the number of students served, the amount of financial aid provided an average award amount.

- The program is inoperative on July 1, 2021, and repealed as of January 1, 2022.
- Fair Pay to Play Act.
  - SB 206-Skinner [Chapter 383, Statutes of 2019] allows collegiate athletes to acquire endorsements and sponsorships while still maintaining athletic eligibility.
  - The bill requires the Chancellor of the CA Community Colleges to convene a working group to review various athletic association bylaws and state and federal laws regarding a college athlete's use of their name, image, and likeness for compensation. Findings and recommendations on the issue must be submitted to the Legislature and the CCCC Athletic Association by July 1, 2021.
  - The budget contains \$700,000 in one-time General Funds to fund this working group.

## V. EARLY EDUCATION

### Ongoing Non-Proposition 98 Expenditures (in millions)

	Amount
CCDBG Funded Alternative Payment Programs	\$53.0
California State Preschool Program Reductions	
• 2020 – 2021 Full-day/Full-year	-\$159.4
• School Based [Proposition-98]	-\$130.0
CalWORKS Stages 2 & 3	\$35.9

Significant Child Care Non-Proposition 98 ongoing spending adjustments include:

- Alternative Payment Programs.
  - The budget contains \$53.3 million in new federal Child Care & Development Block Grant (CCDBG) funds in 2020-21 to the Alternative Payment Programs (CAPP) for approximately 5,600 new ongoing childcare service spaces.
- California State Preschool Program Reductions.
  - Full-day/Full-year. Reduction of \$159.4 million reductions to planned California State Preschool Program full-day/full-year investments in 2020 and 2021, reducing planned preschool expansion by 20,000 service spaces, consistent with the May Revise.
  - School-Based. Reduction of \$130.0 million in Proposition 98 funds to the school-based California State Preschool Program, consistent with the May Revise. [Proposition-98]
- CalWORKS Stages 2 & 3.
  - Reduction of \$35.9 million to CalWORKS Stages 2 & 3 caseloads estimates.

### One-Time Non-Proposition 98 Expenditures (in millions)

	Amount
SB 89 Essential Worker Child Care	\$50.0
2019-20 Budget Act Reductions	
• Unspent Full-Day Kindergarten Facility Grants	-\$300.0
• Grants to Renovate and Construct Facilities	-\$235.0
• Workforce Development	-\$195.0
• Early Education Data System	-\$10.0
• Early Childhood Policy Council	-\$2.2
CARES Act Investments	
• Alternative Payment Program for Essential Worker Child Care	\$73.0
• Child Care Provider Stipends	\$62.5
• Family Fee Waivers Extension	\$8.0

Significant Child Care Non-Proposition 98 one-time spending adjustments include:

- SB 89 Essential Worker Child Care.
  - The Budget Act allows rolls over of \$50.0 million SB 89 Essential Worker Child Care vouchers for use in the year 2020-2021.
- Reductions to the 2019-20 Budget Act:



- \$300.0 million in unspent full-day Kindergarten facility grants
- \$235.0 million provided for grants to renovate and construct facilities
- \$195.0 million provided for workforce development
- \$10.0 million provided to improve CDE's early education data system
- \$2.2 million for the Early Childhood Policy Council.
- CARES Act Investments
  - Provides an additional \$73.0 million in one-time essential worker childcare vouchers via the Alternative Payment Program, prioritizing vouchers for SB 89 children.
  - Provides \$62.5 million in CARES for one-time childcare provider stipends for AP and CalWORKS providers, a methodology based on the difference between site licensed capacity and COVID attendance.
  - Provides \$8.0 million in CARES to extend the family fee waivers through June 30, 2020.

Significant Budget Provisions:

- Rejects the May Revision 10% trigger cuts to all child care programs.
- Rejects January Budget and May Revision General Fund and Prop 98 reductions to Alternative Payment programs, General Child Care, and the California State Preschool Program for negative growth.
- The Budget Act contains a Hold Harmless provision for direct-contract childcare providers for attendance if open in 20-21, and if closed due to short-time staff quarantine or school site closure.
- The budget also adopts a "Child Care Trigger" for up to \$300.0 million in anticipated federal CCDBG aid, to fund additional child care access, reopening grants for centers and family child care homes, and provider stipends.
- Transitions all child development programs, except the California State Preschool Program, to the Department of Social Services, beginning July 2021, with the appointment of a Deputy Director for Child Development, and appropriates \$2.3 million for this transition, one-time.

**VI. CalSTRS and CalPERS**

Item Description	Final Budget Amount
CalPERS/CalSTRS (non-98)	\$2,300.0

Redirects \$2.3 billion designated for long-term pension contribution rate relief and reduces employer contribution rates to the following:

- Reduced CalSTRS employer contribution rates:  
18.41% down to 16.15% in 2020-21  
18.2% down to 16.02% in 2021-22
- Reduced CalPERS employer contribution rates:  
22.67% down to 20.7% in 2020-21  
25% down to 22.84% in 2021-22

It requires districts to retain classified employees in the areas of nutrition, transportation, and custodial services.

- VII. Section by Section Analysis of Trailer Bills**
  - a. K-12 Omnibus Trailer Bill**
  - b. Higher Education Trailer Bill**
  - c. STRS/PERS Trailer Bill**

**VIII(a). K-12 Education Omnibus Trailer Bill - [AB 77/SB 98]**

TBL Section(s)	Education Code Section(s)	Item Description	Statutory Change
1	313.3	English Language Teacher Observation Protocol	Amend Statute to extend the deadline for the State Department of Education to develop an English Language Teacher Observation Protocol from June 30, 2020 to December 31, 2021.
2	2572	Property Tax Clean-Up	Amend Statute to conform to current law.
3-5	8209, 8227.7, 8227.8	Child Care Center Reimbursement Due to COVID-19 Closure	Amend Statute [8209] to allow state-subsidized childcare centers to continue receiving reimbursement between July 1, 2020 and June 30, 2021 if they meet two specified conditions and submit proper distance learning plans. Amend Statute [8227.7] to conform notification procedures to current law. Add Statute [8227.8] to require alternative payment agencies for childcare to submit caseload data to the Department of Social Services.
6	8280	Early Learning and Care Infrastructure Grant Program	Amend Statute to release the full \$245 million for the program in the 2019-20 fiscal year, with all unspent funds reverting to the General Fund on June 30, 2020.
7	8280.1	Early Learning and Care Workforce Development Grants	Amend Statute to release the full \$150 million for the program in the 2019-20 fiscal year, with all unspent funds reverting to the General Fund on June 30, 2020.
8	14002	Final Certification Timeline for Apportionments	Amend Statute to set the 2 <sup>nd</sup> principal apportionment in the fifth succeeding fiscal year as the deadline for final certification of apportionments including LCFF, Basic Aid Block Grant, Open Enrollment Act, Etc...

9-12, 33	14041, 14041.5, 14041.6, 14041.8, 42603.1	Apportionment Deferral Schedule and Relief	<p>Amend Statute [14041] to conform to current law.</p> <p>Amend Statute [14041.5] to defer \$1.85 billion of K-12 apportionment payments from June 2020 to July 2020, and \$2.375 billion of K-12 apportionment payments from June 2021 to July 2021.</p> <p>Amend Statute [14041.6] to shift apportionment payment schedule to reflect the following:</p> <ul style="list-style-type: none"> <li>● Shift \$1.54 billion in apportionment payments from February 2021 to November 2021.</li> <li>● Shift \$2.375 billion in apportionment payments from March 2021 to October 2021.</li> <li>● Shift \$2.375 billion in apportionment payments from April 2021 to September 2021.</li> <li>● Shift \$2.375 billion in apportionment payments from May 2021 to August 2021.</li> </ul> <p>The Director of Finance shall reduce the deferral amounts above in the event federal funds are received prior to October 15, 2020.</p> <p>Add Statute [14041.8] to allow the Director of Finance to authorize up to \$100 million, or \$300 million with authorization from the State Controller and State Treasurer, to be apportioned from the deferral schedule in the event school districts or charter schools are unable to meet fiscal obligations.</p> <p>Add Statute [42603.1] to authorize school districts in 2020-21 and 2021-22 to transfer funds from any account to any other account for purposes of sufficing district fiscal obligations. Maximum of 85% of any one account may be transferred in a given fiscal year.</p>
13	17375	Full-Day Kindergarten Facilities Grant Program	Amend Statute to repeal the \$300 million appropriation for the 2019-20 fiscal year and make the program contingent upon an appropriation by the Legislature.

14	17463.7	Sale or Lease of Excess Property – Use of Funds	Add Statute to authorize, until July 2024, the use of funds derived from the sale or lease of real property for specified one-time programs.
15	17524	Lease of Property to 3 <sup>rd</sup> Party Entity	Amend Statute to repeal prohibition on school boards authorizing joint-use lease agreements with 3 <sup>rd</sup> parties, including private persons, firms, government agencies, or corporations.
16	35710.5	District Organization Appeal	Amend Statute to remove authority to appeal the disapproval of an action on school district organization by a county committee.
17	38000	School Peace Officers	Amend Statute to include legislative intent to evaluate the presence of peace officers and law enforcement on school campuses, and evaluate the redistribution of funds towards other school and student support services.
18, 22	41020.9, 41341	Audit Deadlines	Add Statute [41020.9] to extend the deadline for local educational agency submission of annual audits from May 1 to July 15 for the 2019-20 fiscal year audit. Amend Statute [41341] to conform to current law.
19	41203.1	Proposition 98 Split	Amend Statute to suspend the statutory Proposition 98 split in 2020-21 for K-12 school districts and community colleges.
20	41204.2	Proposition 98 Supplementary Payment	Add Statute to establish supplemental Proposition 98 appropriation of 1.5% of General Fund revenues, beginning in 2021-22, and extending until the total supplemental appropriation reaches \$12.37 billion. The maximum Proposition 98 amount in a given year beginning in 2022-23 shall not exceed 40% of total General Fund revenues.
21	41327.1	FCMAT Clean-Up	Amend Statute to conform to current law
23	41370	Use of Funds for Private Institutions	Amend Statute to prohibit the use of Proposition 98 funds by school districts and charter schools for courses or instruction offered by private colleges or universities, except in pursuit of a high school diploma.

24-26	42127, 42127.6, 42127.8	FCMAT Regional Team Clean-up	Amend Statute [42127] to conform to current law. Amend Statute [42127.6] to delete requirement for FCMAT regional teams Amend Statute [42127.8] to establish enhanced reporting requirements.
27	42131	Fiscal Certification	Amend Statute to require governing boards of school districts to certify the district can meet fiscal obligations for two years based on current forecasts.
28	42238.02	LCFF	Amend Statute to conform to current law for unduplicated pupil counts of charter schools for purposes of the LCFF calculations.
29	42238.021	LCFF COLA	Add Statute to establish a cost-of-living adjustment of zero percent for the 2020-21 fiscal year for purposes of calculating LCFF entitlements and adjustments.
30	42238.025	LCFF Charter School Economic Recovery Target Payments	Amend Statute to conform to current law the calculations of charter school LCFF Economic Recovery Target Payments.
31	42238.03	LCFF Restructured Charter School Calculations	Amend Statute to establish LCFF calculations for determining funding for a restructured charter school.
32	42238.15	Childcare and Development Programs Funding Increase	Amend Statute to suspend the 2020-21 annual increase for childcare and development programs.

34	43500, 43501, 43502, 43503, 43504, 43505, 43506, 43507, 43508, 43509, 43510, 43511, 43512	Part 24.5: School Finance, Instruction, and Accountability in the 2020-21 School Year	<p>Add Statute [43500] to establish definitions of Part 24.5</p> <p>Add Statute [43501] to establish minimum instructional minutes for grades K-12.</p> <p>Add Statute [43502] to set attendance hold harmless at the 2019-20 academic year for the purpose of determining apportionments for 2020-21 fiscal year, and establish instructional minutes requirements for in-person instruction and distance learning.</p> <p>Add Statute [43503] to establish minimum requirements for distance learning including standards, accessibility, academic supports, special education services, English Learner services, live interaction standards, and pupil nutrition.</p> <p>Add Statute [43504] to establish compulsory education/daily participation requirements for distance learning and in-person instruction.</p> <p>Add Statute [43505] to set enrollment hold harmless for charter schools at the 2019-20 academic year for the purposes of determining the charter school apportionments for 2020-21.</p> <p>Add Statute [43506] to not require a material revision to charter school plans for those that provide distance learning.</p> <p>Add Statute [43507] to clarify for purposes of determining LCFF class size reduction adjustments or penalties, "class" may include distance learning instruction.</p> <p>Add Statute [43508] to clarify for purposes of Proposition 98 calculations that "change in enrollment" means the change in average daily attendance from the 2018-19 school year to the 2019-20 school year.</p> <p>Add Statute [43509] to set requirements for school districts, county boards of education, and charter schools to develop Learning Continuity and Attendance Plans by September 30, 2020 and LCFF budget overviews for parents by December 15, 2020, as well as set the required parts of those documents, in place of the LCAP for the 2020-21 academic year.</p> <p>Add Statute [43510] to establish mandate reimbursement procedure.</p> <p>Add Statute [43511] prohibiting the waiving of any statute in this part by the State Board.</p>
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35	44225.4	Credential Validity Exam Scores	Add Statute to extend the time of validity of exam scores for credentials to 11 years for scores used to satisfy requirements from March 19, 2020 to June 30, 2021.
36	44235.4	Credential – online renewal	Add Statute to extend by 120 days the time of validity of fees submitted with paper applications for credentials not available for online renewal.
37	44266.5	Field Practice Assignment	Add Statute to reduce from two school settings to one the requirement for field practice assignments for a pupil personnel services credential.
38	44955.5	School District Employee Termination in 2020-21	Amend Statute to prohibit the termination of permanent employees from July 1, 2020 to July 1, 2021, except for certificated employees holding a position that requires an administrative or supervisory credential.
39	45227	FCMAT Merit System exemption	Add Statute to exempt from the merit system those serving as administrative agents in the County Office FCMAT.
40, 41	46200.5, 64201	County Office Withholding of Apportionment	Amend Statute to require the withholding of county office apportionment based on insufficient instructional minutes only for special day classes not operated in a community school or juvenile court school.

42, 44-54, 83	47604.1, 47607, 47607.2, 47607.5, 47612.5, 47612.7, 47632, 47635, 47644, 47653, 47654, 47655,  Gov. Code 17581.6	AB 1505 Clean Up	Amend Statute [47604.1] to conform current law to AB 1505 requirements of charter schools to adhere to Brown Act and Bagley-Keene Open Meeting Act. Amend Statute [47607 and 47607.2] to conform current law to AB 1505 requirements for renewal of charter school petitions, with exceptions for the 2019-20 school year performance results. Amend Statute [47607.5 and 47612.5] to conform current law to AB 1505, technical clean up. Amend Statute [47612.7 and 47653] to conform current law to AB 1505 and federal law conformity for continuing charter schools. Amend Statute [47632 and 47635] to conform current law to AB 1505 regarding petition renewal and denial. Amend Statute [47644] to conform current law to AB 602 funding calculations for special education purposes. Add Statute [47654 and 47655] to establish definitions that conform to AB 1505, and to establish the debt liabilities and debt assumptions for restructuring charter schools. Amend Statute [GC 17581.6] to conform current law to required calculations of average daily attendance for continuing charter schools.
43	47605	AB 1507 Clean Up	Amend Statute to conform current federal law to AB 1507 requirements of charter schools operating in the geographic boundaries of the authorizing school districts.
55	48000	Transitional Kindergarten Instructor Requirements	Amend Statute to extend by one year, to August 2021, the requirement of credentialed teachers first assigned to TK classroom to meet one of the three experiential benchmarks.
56	51461	State Seal of Biliteracy	Amend Statute to authorize State Superintendent to seek alternatives to certain requirements for students who were unable to obtain the State Seal of Biliteracy due to COVID-19 related school closures.

57	52064	LCAP Template	Amend Statute to require local educational agencies to include specified stakeholder engagement information in their LCAPs, and require the State Board include instructions in the development process beginning in January 2022 to address disparities in performance areas at certain schools for specified low-performing subgroups of pupils.
58	52074	CCEE Apportionment	Amend Statute to remove requirement of State Superintendent to apportion CCEE funds to an administrative agent.
59	52202	Bilingual Teacher Professional Development Grant Reporting	Amend Statute to extend by one year, until January 2022, the final report deadline for the Bilingual Teacher Professional Development grant from the grant recipients.
60	54444.2	Parent Advisory Council	Amend Statute to do the following for parent advisory councils: <ul style="list-style-type: none"> <li>● Suspend requirement 2020 nominations and elections until September 2020</li> <li>● Require 3 council meetings in 2020 calendar year</li> <li>● Remove requirement for Superintendent to hold biennial State Parent Advisory Council Conference in 2020 calendar year</li> </ul>
61	54444.3	Migrant Summer School Programs	Amend Statute to remove requirement for school districts, county offices, and community colleges to open facilities to migrant summer school programs if they have closed due to the COVID-19 pandemic, and allow those institutions to offer programs through distance learning education for 2020 calendar year.
62, 63	56122, 56195.1	Annual Assurance Support Plan	Amend Statute [56122] to delay the requirement of the inclusion of annual assurances support plans in the annual plans for school districts and county offices by 2 years, until July 2023 Amend Statute [56195.1] to prohibit school districts from submitting local plan as a single-district SELPA.
64, 65	56213, 56214	Necessary Small SELPA – Funding Formula	Repeal Statute [56213] on January 2021. Add Statute [56214] to establish supplemental funding for necessary small SELPAs beginning in 2020-21 fiscal year.

66	56345	Special Education - IEP Emergency Conditions	Amend Statute to include certain emergency conditions that must be provided for students with an IEP if in-person services or instruction cannot be provided for more than 10 school days.
67	56477	DHCS Workgroup reports	Amend Statute to require DHCS workgroups focused on school health areas submit comprehensive program and fiscal reports to the Legislature on or before October 2020, and final reports by October 2021.
68, 69, 71-75	56836.045, 56836.06, 56836.08, 56836.10, 56836.11, 56836.12, 56836.13	Special Education Technical Clean Up	Amend Statutes [56836.045-56836.11, and 56836.13] to include technical clean up language related to Special Education funding, and make those sections inoperative on July 1, 2020. Amend Statute [56836.12] to renumber section.
70	56836.07	Federal Mental Health Funds Distribution	Amend Statute to require the distribution of any federal appropriations for mental health services to a SELPA to be based on a per-unit of average daily attendance based on 2019-20 data.
76	56836.14, 56836.142, 56836.144, 56836.146, 56836.148, 56836.15	Article 2.2: Special Education Funding Formula	Add Statute [56836.14] to require the State Superintendent to calculate a special education funding formula. Add Statute [56836.142] to establish definitions related to the funding formula. Add Statute [56836.144] to establish a three-year rolling hold harmless for ADA computations for the funding formula, beginning in 2020-21. Add Statute [56836.146] to establish a base funding level of \$625 per ADA, or the current SELPA per-ADA rate, whichever is higher. Add Statute [56836.148] to require the Superintendent to compute a base grant in 2020-21, and each year thereafter, to reflect the prior year base grant funding per-ADA rate as adjusted for inflation and cost-of-living. Add Statute [56836.15] to adjust the amount of general fund revenues provided for the funding formula based on the amount of local property taxes available to the SELPA.

77-82	56836.159, 56836.165, 56836.21, 56836.22, 56836.24, 56836.31	Special Education – Funding Technical Adjustments	Amend Statutes to align data used for calculating certain funding provisions to the 2016-17 fiscal year, for purposes of determining out-of-home care funding amounts in the 2020-21 and 2021-22 fiscal years.
84, 85	Rev. And Tax Code 97.2, 97.3	Education Revenue Augmentation Fund (ERAF)	Amend Statutes to require the State Controller to issue guidance by December 31, 2020 to counties for the distribution of ERAF revenues, and provides the Controller with authority to require county-controllers to carry out those provisions.
86	Welfare and Institution Code 10200, 10201, 10202, 10203, 10204, 10205, 10206	Part 1.7: Early Childhood Development Act of 2020	Add Statute [10200] to establish the Act Add Statute [10201] to establish operational date of July 1, 2021. Add Statute [10202] to state legislative findings related to high-quality childcare. Add Statute [10203] to state legislative intent to establish phased approach to achieving state’s Master Plan for Early Learning and Care goals. Add Statute [10204] to set meaning of department as State Department of Social Services. Add Statute [10205] to provide Department with authorities and responsibilities necessary to carry out activities listed in Section 10203. Add Statute [10206] to provide certain authorities to the Department and the Department of Education.
87	Welfare and Institution Code 13265	California Newcomer Education and Well-Being Program (CalNEW)	Add Statute to require State Department of Social Services to administer the CalNEW program, including provision of services for refugee pupils and unaccompanied undocumented minors. Subject to an appropriation by the Legislature, funds would be provided directly to school districts affected by significant numbers of refugee pupils.
88	BBL Item 6100-158- 0001	Adults in Correctional Facilities	Adjust Budget Act of 2019 to reduce Adults in Correctional Facilities appropriation by \$9.76 million.
89	BBL Item 6100-194- 0001	State Preschool – Non-LEA	Adjust Budget Act of 2019 to reduce non-LEA appropriation for state preschool by \$31.4 million, which reflects 10,000 additional full-day preschool slots.

90	BBL Item 6100-196-0001	State Preschool – LEA	Adjust Budget Act of 2019 to reduce LEA appropriation for state preschool by \$110.4 million.
91, 92	Section 1 and 4 of Chapter 3 of 2020 Statutes	Executive Order N-26-20 compliance	Amend Statutes of 2020 to allow school districts that were not subject to closure due to the coronavirus to receive similar ADA calculations as those that complied with Executive Order N-26-20.
93	Section 9 of Chapter 3 of 2020 Statutes	SB 117 Appropriation – Distribution of Funds	Amend Statutes of 2020 to revise the per-ADA distribution amount for non-classroom based charter schools and state special schools for purposes of the \$100 million allocation in SB 117.
94	TBL	Termination Prohibition	Add Statute prohibiting the termination of any K-12 or community college permanent or probationary classified employee in the positions of nutrition, transportation, or custodial services due to lack of funds or lack of work for the employee.
95	TBL	LCAP – Continuity of Learning Plan	Add Statute to require the inclusion of any expenditures or actions included Continuity of Learning Plan into the school district’s 2021-22 LCAP.
97	TBL	ASES and ASSETs Programs – Funding Rates	Add Statute prohibiting the rate reduction of ASES programs and High School ASSETs programs during the 2020-21 school year due to a program’s operating hours or pupil-to-staff ratio.
98	TBL	Technical Clean-up – Guerneville Elementary School District	Add Statute related to funding determination for the Guerneville Elementary School District in the amount of \$2.34 million.
99	TBL	Leroy Green Facilities Act – Exclusion of money from calculations	Add Statute to exclude CalSTRS and CalPERS funds from the calculations within the Act.
100	TBL	Education Protection Account	Add Statute to require the Superintendent to recover any overpayments of EPA funds from a school district’s 2019-20 LCFF funds.
101	TBL	Multi-Tiered System of Support – Reporting Date	Add Statute to extend the reporting deadline for the Orange COE for the state’s Multi-Tiered System of Support from September 30, 2020 to June 30, 2021.

102	TBL	Inglewood Unified School District – Emergency Loan Report	Add Statute to remove reporting requirement related to emergency loan for Inglewood USD for 2020-21 fiscal year.
103	TBL	English Language Proficiency Assessment	Add Statutes prohibiting the use of ELPAC summative assessment results for anything except reclassification of English Learners.
104	TBL	CA School Dashboard 2020	Add Statute prohibiting the Department of Education from publishing the CA School Dashboard for 2020 or identifying a school or district as requiring technical assistance based on the 2020 CA School Dashboard criteria.
105	TBL	Charter School Opening Delay	Add Statute allowing a charter school to delay its opening or addition of grade levels for one year without submitting a material revision.
106	TBL	Appropriation Encumbrance	Add Statute to allow for the encumbrance of certain appropriations until June 30, 2023.
107	TBL	Mandates Language	Add Statute to require the Commission on State Mandates reimburse actions that are determined in this bill as mandates.
108	TBL	Adults in Correctional Facilities and Special Education Appropriation Encumbrance	Add Statute to allow for the encumbrance of funds for adults in correctional facilities programs and special education programs until November 30, 2021.
109	TBL	SoCal ROCP	Add Statute to appropriate \$1 million to the Southern California Regional Occupational Center, with conditions to update operational plan and submit to Department of Finance and Legislative Analyst’s Office.

110	TBL	Coronavirus Relief Funds – Distribution of Funds for Learning Loss Mitigation	<p>Add Statute to establish distribution methodology for \$1.5 billion of coronavirus relief funds in a per-pupil amount based on the following:</p> <ul style="list-style-type: none"> <li>• Total number of pupils aged 3 to 22 with exceptional needs in 2019-20</li> </ul> <p>Add Statute to establish distribution methodology for \$2.855 billion of coronavirus relief funds in a per-pupil amount based on the following:</p> <ul style="list-style-type: none"> <li>• District’s proportion of total statewide supplemental and concentration grant funding components of the LCFF</li> </ul> <p>Add Statute to establish distribution methodology for \$979.7 million of coronavirus relief funds in a per-pupil amount based on the following:</p> <ul style="list-style-type: none"> <li>• District’s proportion of total statewide LCFF entitlement funding in 2019-20</li> </ul> <p>Add Statute establishing allowable uses of funds provided in this section.</p>
111	TBL	Allocation of CARES Act Childcare Relief Funds	Add Statutes to establish the distribution of funds provided by the federal CARES Act Childcare and Development Block Grant.
112	TBL	Childcare Relief Funds	Add Statute to state legislative intent for the distribution of additional federal funds, if received in 2020-21, to provide high-quality childcare through various programs.
113	TBL	Early Literacy Support Block Grant	Add Statute to provide \$50 million one-time for the Early Literacy Support Block Grant that will be distributed to the school districts with the 75 schools with the highest percentage of grade 3 pupils performing at the lowest achievement standard on the summative ELA assessment.
114	TBL	Statewide System of Support - Expert Lead in Literacy	Add Statute to appropriate \$3 million for the Department of Education to establish an Expert Lead in Literacy within the Statewide System of Support to complete specified tasks.



115	TBL	Redevelopment Agencies	Add Statute requiring the Department of Finance to make certain appropriation adjustments to Budget Act items based on specified funds distributed to LEAs for special education from successor agencies being less than estimated.
116	TBL	CA School Dashboard – Online Platform	Add Statute to appropriate \$450,000 for the support of the alignment and integration of the online platforms supporting the CA School Dashboard.
117	TBL	ESSER Funds – CA Community Schools Partnership program	Add Statute to appropriate \$45 million in ESSER Funds to establish and administer the California Community Schools Partnership Program, under specified conditions and requirements.
118	TBL	School Nutrition	Add Statute to appropriate \$112.2 million for school nutrition related programs, under specified conditions and requirements.
119	TBL	CA Dyslexia Initiative	Add Statute to appropriate \$4 million for the establishment and administration of the California Dyslexia Initiative, under the consideration of specified legislative findings and identified goals of the initiative.
120	TBL	FCMAT – SACS Code	Add Statute to appropriate \$4.25 million for the Kern County Office of Education to administer the FCMAT SACS system replacement project.
121	TBL	Draft Distance Learning Curriculum and Instructional Guidance	Add Statute to appropriate \$750,000 to the Sacramento County Office of Education to develop draft distance learning curriculum and instructional guidance for mathematics, ELA, and ELD.
122	TBL	Classified School Employee Summer Assistance Program	Add Statute to appropriate \$60 million for the Classified School Employee Summer Assistance Program for the 2020-21 fiscal year, to be used for encumbrance until June 2025.
123	TBL	Young People’s Task Force	Add Statute to appropriate \$200,000 to the Department of Education to establish and administer the Young People’s Task Force.
124	BBL	Immediate Effect	Add Statute to declare the provisions in this bill are related to the Budget Bill and shall take effect immediately.

**b.) Higher Education Trailer Bill [AB 77/SB 116]**

Bill Section	Ed Code Section[s]	Description
1	69432	2002-21 Maximum grant for Cal Grant Awards remains at \$9,084 for new recipients
2	69438.9	Suspends the CA Dreamer Service incentive Grant Program for the 2019-20 and 2020-21 years and resumes the program in the 2021-22 year. Uses funds for Disaster Relief Emergency Student Aid [see section 5 below]
3	69617	Golden State Teacher Grant Program changes: <ul style="list-style-type: none"> <li>● Allows funds from 2020 Budget Act to be encumbered through June 30, 2023</li> <li>● Requires grant funds to supplement and not supplant other sources of financial aid</li> <li>● Repayment based on 25 percent of grant funds received rather than the flat amount of \$5,000</li> <li>● Includes computer science as a high-need field in STEM</li> <li>● Requires CTC to publish a list of priority schools by January 1 each year</li> <li>● Allows CTC to adopt regulations as needed to implement the program</li> </ul>
4	70023.	Middle-Class Scholarship Program. Revises the appropriation: <ul style="list-style-type: none"> <li>● Reduces from \$107 million to \$104.3 million for 2018-19</li> <li>● Increases the appropriation from \$110.2 million to \$117.0 million for 2019-20 and each fiscal year thereafter.</li> </ul>
5	70027	Disaster Relief Emergency Student Financial Aid: <ul style="list-style-type: none"> <li>● Uses funds from CA Dreamer Service Incentive Grant Program for disaster emergency student financial aid to students in UC, CSU, and CCC.</li> <li>● Appropriations schedule: <ul style="list-style-type: none"> <li>○ \$11.0 million to the CA Community Colleges</li> <li>○ \$3.0 million to the CSU</li> <li>○ \$1.0 million to the UC</li> </ul> </li> <li>● Report. UC, CSU, and CCC shall report the Department of Finance and Jt. Legislative Budget Committee on the number of students served, the amount of financial aid provided and the average award amount.</li> <li>● The program is inoperative on July 1, 2021, and repealed as of January 1, 2022.</li> </ul>
6	78222	Student Equity and Achievement Program. Includes establishment of food pantries as a requirement to receive funds.
7	84321.62	CCC Deferrals: <ul style="list-style-type: none"> <li>● \$1.453.3 billion in apportionment payments from the 2020-21 year to the 2021-22 year</li> <li>● Gives Director of Finance authority to reduce the deferral if sufficient federal funds are available</li> <li>● The section becomes operative on December 15, 2020.</li> </ul>
8	84321.7	CCC Deferral Exemption:

		<ul style="list-style-type: none"> <li>● Make \$30 million available to community college districts to apply for an exemption from the deferral requirement if they cannot meet financial obligations</li> <li>● Districts must apply to the Chancellor and Director of Finance at least two months before the applicable deferral</li> <li>● The Director of Finance may authorize up to an additional \$60 million if the amounts requested for exemption exceed the initial \$30 million</li> </ul>
9	84363	50 Percent Law. Due to the COVID-19 emergency, exempts districts from the 50 percent law requirement for the the 2021-22 year.
10	84750.4	<p>Student-Centered Funding Formula [SCFF]:</p> <ul style="list-style-type: none"> <li>● Includes intent language stating that for the 2020-21 year, 70% of funding is for base allocation, 20% for supplemental allocation, and 10% is for student success allocation.</li> <li>● Specifies that the COLA for SCFF shall be the Implicit Price Deflator for State and Local Government</li> <li>● Base Allocation. For the calculation of the 3-year rolling average for the base allocation for the 2020-21 fiscal year, the sum of funded credit FTES for the 2019-20 fiscal year, as adjusted for shifts in summer enrollment between fiscal years, may be used in place of funded credit FTES for the 2020-21 fiscal year.</li> <li>● Supplemental. For the calculation of the supplemental allocation for the 2020-21 fiscal year, data from the 2018-19 fiscal year may be used in place of data from the fiscal 2019-20 fiscal year.</li> <li>● Student Success. <ul style="list-style-type: none"> <li>○ For the calculation of the 3-year rolling average for the student success allocation for the 2020-21 fiscal year, data from the 2018-19 year may be used in place of data from the 2019-20 year.</li> <li>○ For calculation of the 3-year rolling average for the equity component of the student success allocation for the 2020-21 fiscal year, data from the 2018-19 fiscal year may be used in place of data from the 2019-20 fiscal year.</li> </ul> </li> <li>● Hold Harmless. Extends the hold harmless provisions for two-additional years: from 2021-22 to 2023-24.</li> <li>● SFCCD and Compton CCD. Extends hold harmless provisions from the 2023-24 year to the 2025-26 year.</li> <li>● Requires the Chancellor’s Office through their website, to post data by the district on the preliminary calculations of the SCFF by November 15 of each year with a final version of March 15 of each year.</li> </ul>
11-13	88821, 88822, 88825	<p>Strong Workforce:</p> <ul style="list-style-type: none"> <li>● Encourages CCC districts to develop short-term workforce training programs</li> <li>● Specifies that community college regional and district projects include programs focused on CA’s economic recovery from COVID-19</li> </ul>

14-15	89780 and 92060	UC and CSU Summer Term Financial Aid. Suspends summer financial aid to UC and CSU students on December 31, 2021, unless the Director of Finance determines that there is additional General Fund revenue that exceeds General Fund expenditures for the 2021-22 and 2022-23 years.
16	99200	Subject Matter projects. Adds learning loss in math, science, and English, language arts dues to the COVID-19 pandemic to the topics covered in the UC Subject Matter Projects.
17	19816.18 Gov't Code	Technical, non-substantive amendment
18-19	22956 and 22959.83 Gov't Code	CSU. Requires CSU to notify retirees of eligibility for enrollment in dental care and vision care programs.
20	2019 Budget Act	UC Breast Cancer Research. Changes appropriation from \$10.614 million to \$10.419 million
21		CCC Report. On the use of funds by local CC districts related to addressing learning loss due to the COVID-19 pandemic.
22		State-Local Mandate Clause
23		Budget Bill urgency clause

c.) STRS/PERS Trailer Bill - [AB 84/SB 111]

TBL Section(s)	Education Code Section(s)	Item Description	Statutory Change
1,2,8	22950.6 22955.1	CalSTRS	<p><b>Amend Statute</b> to revise the application of the 2018-19 fiscal year General Fund appropriation to the CalSTRS resulting in employers having to contribute 2.95 percentage point less in 2020-21 fiscal year and 2.18 percentage points less in 2021-2021 fiscal year.</p> <p><b>Amend Statute</b> to require that the percentage set by the Teachers’ Retirement Board for the 2020–21 fiscal year, govern the state appropriation to the Teachers’ Retirement Fund to eliminate the unfunded actuarial obligation and prohibits the board from increasing or decreasing this percentage for the 2020–21 fiscal year.</p> <p><b>Amend Statute</b> to</p> <ol style="list-style-type: none"> <li>(1) increase the apportionment for advance payments of required school employer contributions for the 2020–21 fiscal year to \$430,000,000.</li> <li>(2) repeal the apportionment of \$660,000,000 for the unfunded liabilities of specified school employers.</li> <li>(3) authorize \$330,000,000 to be apportioned for advance payments of required school employer contributions for the 2021–22 fiscal year.</li> </ol>
3	19827 [GOV]	California Highway Patrol Reduction in Compensation	<p><b>Amend Statute</b> to require employees of the California Highway Patrol who are rank-and-file members of State Bargaining Unit 5, to be subject to any and all reductions in state employee compensation imposed by the Legislature on other state employees for the period from July 1, 2020, to June 30, 2021,</p>
4,5	19849 [Gov] 19851 [Gov]	State Employee Furlough	<p><b>Amend Statutes</b> to require a state employee, except as specified, for the period from July 1, 2020, to June 30, 2021, inclusive, to participate in the Personal Leave Program 2020 (PLP 2020 Program) under which each employee would receive a reduction in pay not greater than 10% in exchange for up to 16 hours of PLP 2020 Program leave credits per month.</p> <p><b>Amend Statutes</b> to require the department to adopt a plan for the period of July 1, 2020, to June 30, 2021, inclusive, by which all state employees who are not subject to the PLP 2020 Program, as described above, and except as specified, would be furloughed for 2 workdays per calendar month</p>
6,7	20825.1 [Gov] 20825.12 [Gov]	CalPERS	<p><b>Amend Statute</b> to require the Controller to transfer, in aggregate, up to \$2,500,000,000 to the General Fund over the 2020–21 and 2021–22 fiscal years from other funds and accounts that are required by law to fund the state’s employer contribution to the Public Employees’ Retirement Fund.</p>

			<p><b>Add Statute</b> to appropriate \$243,000,000 from the General Fund, for the purposes identified in the constitutional provisions described above, to supplement the state’s appropriation to the Public Employees’ Retirement Fund and reduce unfunded liabilities for state-level pension plans.</p> <p><b>Amend Statute</b> to repeals supplemental General Fund appropriations to the Public Employees’ Retirement Fund for the 2020–21, 2021–22, and 2022–23 fiscal years.</p>
9	11873 [INS]	Coverage of Public Employers	<p><b>Amend Statute</b> to provide that employees of the fund shall, without limitation, be subject to any and all reductions in state employee compensation imposed by the Legislature on other state employees for the period from July 1, 2020, to June 30, 2021, inclusive.</p>