

**AGENDA, PART 1
ASSEMBLY BUDGET SUBCOMMITTEE NO. 2
ON EDUCATION FINANCE**

ASSEMBLYMEMBER SARAH REYES, CHAIR

**WEDNESDAY, MAY 19, 1999
STATE CAPITOL, ROOM 437
9:00 A.M.**

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6440 UNIVERSITY OF CALIFORNIA

ISSUE 1: PROPOSITION 99 FUNDS

The Proposition 99 Cigarette and Tobacco Products Surtax Fund includes \$40 million in a restricted reserve. The Governor's May Revise proposes to keep these funds in the reserve for settlement of outstanding litigation. However, the plaintiffs in the outstanding lawsuit have indicated that they are not interested in pursuing the lawsuit, and have requested that the funds be allocated to augment existing tobacco education and research activities.

Subcommittee No. 1 on Health and Human Services has allocated 32.5 million of the restricted reserves for education and prevention purposes. However, there is an addition \$7 million that could be allocated to UC to augment their current tobacco research program.

Assembly Budget Subcommittee No. 1 recommends that Subcommittee No. 2 take a conforming action to allocate the restricted reserves in the Health Education and Research accounts to conform to the Senate, and Subcommittee #1.

ISSUE 2: CHECK LIST

(Millions of dollars)

Item	Amount
Continuation of One-time funding for deferred maintenance, library materials, equipment, etc.	70.0
Library Initiative	7.5
Technology Initiative (Campus Internet2 Infrastructure and UC-Industry Internet2 Infrastructure)	15.0
California Remote Sensing Initiative	2.0
Year Round Operations	3.0
UC Merced (General Purpose Building)	1.0

6610 CALIFORNIA STATE UNIVERSITY

ISSUE 1: CHECK LIST

(Millions of dollars)

Item	Amount
Technology	18.0
High Cost Programs	5.0
One-time funds for deferred maintenance, library materials, equipment, etc.	45.0
Year Round Operations	12.0

6870 CALIFORNIA COMMUNITY COLLEGES

ISSUE 1: CHECK LIST

ITEM	JAN. 10 BUDGET	SUB-COMMITTEE AUGMENTATION TO DATE	AMOUNT CURRENTLY ON CHECK LIST
Student Senate	0	0.184	0.184 (General Fund)
Partnership for Excellence	10.0	5.0	45.0
Equalization	0	9.1	9.1
Full-time Faculty	0	5.0	30.0
Academic Senate	0	0.045	0.045
Noncredit Instruction	0	5.0	5.0

ISSUE 2: CAL WORKS BUDGET BILL LANGUAGE

The Chancellor's Office requests the Subcommittee adopt budget bill language to allow the Community Colleges to use Cal Works funds for post-employment services and job placement efforts.

BACKGROUND:

The Community Colleges claim that these statutory changes are necessary to help them better utilize existing Cal Works funds for their system.

The Community Colleges recognize that this issue was just presented to the Subcommittee last week and may warrant additional discussion during Budget Conference Committee. The Senate did not act on this issue.

The Community Colleges should be prepared to outline this request at the hearing.