

MAJOR GENERAL FUND ACTIONS OF SUBCOMMITTEE No. 2 ON EDUCATION FINANCE

(IN MILLIONS)

		GOVERNOR'S REVISED 2001-2002 BUDGET	ASSEMBLY SUBCOMMITTEE ACTION	DIFFERENCE
6110	DEPARTMENT OF EDUCATION	30,921.4	30,839.4	-81.9
6120	CALIFORNIA STATE LIBRARY	103.3	103.8	.5
6360	COMMISSION ON TEACHER CREDENTIALING AND LICENSING	60.0	60.0	0.0
6420	CALIFORNIA POSTSECONDARY EDUCATION COMMISSION	3.9	3.9	0.0
6440	UNIVERSITY OF CALIFORNIA	3,514.1	3,513.2	-.9
6600	HASTINGS COLLEGE OF LAW	15.1	15.1	0.0
6610	CALIFORNIA STATE UNIVERSITY	2,624.0	2630.4	6.4
6870	CALIFORNIA COMMUNITY COLLEGES	2,930.6	2,944.6	14.0
7980	STUDENT AID COMMISSION	634.5	639.5	5.0

6110 DEPARTMENT OF EDUCATION

As approved by the Assembly Subcommittee on Education Finance, the budget fully funds growth and COLA and includes the following major increases:

- **Energy.** An increase of \$352 million in one-time funds to schools to help mitigate the higher cost of energy in the coming year and to help fund conservation efforts, as proposed by the Governor in his May Revise. The funds are to be distributed as an equal amount per ADA (roughly an equal amount per student). In order to receive funds, school districts must certify that they will reduce energy usage by 10%.
- **Governor's Initiatives.** Funding for a number of new initiatives proposed by the Governor in January. Included in this total are 1) \$84 million as the first-year cost of a three-year efforts to train every teacher in California in the state standards 2) \$20 million for a program to help schools attract algebra teachers and 3) \$15 million for training for school administrators.
- **Low Performing schools.** As proposed by the Governor in his May Revise:
 - 1) an increase of \$220 million for a low-performing schools block grant, pursuant to legislation,
 - 2) an increase of \$49 million for the Immediate Intervention in Underperforming Schools Program, which provides school improvement assistance to low-performing schools, and
 - 3) a \$1.2 billion block grant that consolidates two existing programs, desegregation funding and Economic Impact Aid, to provide schools with flexible funding to help improve the academic achievement of economically disadvantaged students.
- **After-school expansion.** An increase of \$42 million¹ over last year's funding level for expansion of after school programs (\$20 million) and incentive funding to schools to provide before-school programs (\$20 million), and \$2 million to support field centers that provide technical assistance to schools running after school programs. \$20 million of the \$40 million augmentation restores the augmentation proposed by the Governor in January but deleted in the May Revise.
- **Revenue limit equalization.** An increase of \$37 million as a first step in equalizing revenue limits to a modest funding level target.
- **Foster care.** An increase of \$15 million for the Foster Care Youth Services Program, to provide educational support services to foster care students statewide.

¹ 440 million of this total is proposed as half-year funding.

- **Career/technical education:** An increase of \$33 million for career/technical education programs, including: 1) \$8 million for school-to-career grants, 2) \$5 million for 100 information technology career academies in public high schools, as proposed by the Governor in his May Revise, 3) \$10 million as a set-aside for a package of career/technical education legislation and 4) \$10 million to replace equipment at regional occupational centers and programs.

Total Proposition 98

The total Proposition 98 spending level for the budget year includes spending for K-12, community colleges and certain education activities carried out by other agencies. As approved by the Subcommittee on Education Finance, the budget contains a total Proposition 98 funding level of approximately \$46 billion for the 2001-02 year, (including property taxes) and \$42.9 billion for the 2000-01 year.

- The K-12 Proposition 98 per-pupil funding level approved by the subcommittee is approximately \$7,151, or approximately 7 percent more than the per-pupil figure of \$6,702 in the 2000-01 budget.
- The budget approved by the subcommittee provides \$4.6 billion more than the minimum Proposition 98 funding level required by law, but \$861 million below the Test 2 funding level, which was the funding level proposed by the Governor in January.¹ The budget provides \$186 million more in funding, including prior-year adjustments, than that proposed by the Governor in January.
- The budget fully funds the statutory cost-of-living adjustment, at 3.87 percent, and K-12 growth, at 1.4 percent.

Prior-year adjustments. In addition, the budget contains \$352 million in one-time funds for prior-year adjustments in the Proposition 98 funding levels for the years 1995-96 and 1996-97. These adjustments are the result of census-driven changes in population estimates for this time period. In his May Revise, the Governor proposes a total of \$541 million for these revisions, but it now appears that the required revisions are only \$352 million. (Both the subcommittee's budget and the Governor's May Revision propose to use these revisions to help districts pay for higher energy costs and conservation.)

The effect of the May Revision's appropriation of \$188 million more than needed is to increase the budget year funding level by this same amount, which increases the Proposition 98 base in future years. In order to avoid unnecessarily increasing the

¹ However, the Governor's May Revise and the budget adopted by the subcommittee does not propose a reduction of \$861 million below the Governor's January 10 budget year funding level. Rather, the revised calculation of Test 2 increased by \$600 million over the calculation in the Governor's January budget. Also, the calculation of the minimum Test 3 funding level has gone down substantially compared to January, such that the January funding level was \$1.9 billion above Test 3. Therefore, even when the Governor decreases budget year spending by \$255 million in the May Revise, his funding level is \$4.6 billion above the newly-calculated minimum Test 3 funding level.

Proposition 98 base by \$188 million, the budget approved by the subcommittee takes \$100 million of the Governor's over appropriation and applies it to the budget's General Fund reserve, due to concerns about the size of the reserve proposed by the Governor in his May Revise and the desire to increase it. It takes the remaining \$88 million and appropriates it as follows: \$62 million to pay for a current-year funding shortage for the K-3 class size reduction program and \$26 million for a one-year augmentation to the multi-track year round operational grant program.²

Governor's Reform Proposals. The budget adopted by the subcommittee provides funding for the Governor's education reform initiatives proposed in January, as follows:

- \$84 million for a new Mathematics and Reading Professional Development Program, intended to train all teachers in California in the state standards over a three-year period, pursuant to AB 466 (Strom-Martin). The Governor's May Revise proposed \$160 million for this purpose, a reduction of \$175 million from the funding level proposed in January. The subcommittee adopted a lower funding rate per teacher, resulting in a savings of \$76 million over the May Revise proposed funding level.
- \$20 million for an algebra incentives program designed to help schools attract algebra teachers, pursuant to AB 1407 (Lowenthal). This funding level was proposed in the May Revise as a \$10 million reduction over the Governor's proposed January funding level of \$30 million.
- \$15 million in one-time funding as the first-year cost of a three-year training program for school administrators, pursuant to AB 1892 (Steinberg).
- \$10 million as the first-year effort to create a total of 10 High tech high schools, across the state, pursuant to AB 620 (Wayne, Simitian).³
- \$5 million for a new Math and Science Challenge Grant Program to create public-private partnerships to increase at-risk students' interest in math and science careers, pursuant to AB 912 (Wesson, Salinas).³
- \$28 million for workbooks to help students study for the statewide STAR exam and new high school exit exam.
- \$20 million for school districts to purchase software to help them analyze and better utilize students' test scores, pursuant to SB 203 (Vasconcellos).

² The effect of this action is to decrease the total spending for K-12 by \$100 million less in one-time funds than the Governor's May Revise. However, this action also reduces the budget year Proposition 98 funding level, upon which future minimum funding requirements are based, by \$100 million, to create greater budget flexibility for next year in the event of a severe downturn in revenues.

³ The Governor proposes for these programs to be administered by the Office of the Secretary for Education, rather than the California Department of Education.

After serious and careful deliberation during spring hearings, the subcommittee respectfully decided against inclusion of the \$65 million proposed by the Governor for the first-year cost of extending the school year for middle schools, pursuant to SB 1020 (Escutia).⁴ The subcommittee's decision was based on: a) concerns about the out-year costs of the proposal, b) the difficulty of implementation in multi-track year round schools, c) the unproven effectiveness of the proposed strategy and d) the uncertain interaction between the middle school proposal and recently-approved mandatory summer school requirements. The subcommittee also decided against inclusion of \$3 million for a statewide tracking system that would involve individual student identifiers to allow schools to track student progress over time, due to questions about its relationship with an existing statewide student database system, which is in the process of being developed.

Other Assembly priorities. In addition to the items listed in the highlights section above, the budget includes the following augmentations to reflect Assembly priorities:

- **Adult education.** The budget includes language to utilize \$5 million in annually unused funding to increase the funding rate for adult education providers by one percent. It also includes language that would annually appropriate unused funding on a one-time basis to programs that have exceeded their maximum funding allowance, for expansion of English as a Second Language courses and other high-demand classes.
- **Instructional Time and Staff Development Reform Program.** The Governor's May Revise proposed to reduce by \$35 million the base funding level for this program, which pays for up to three days of staff development for teachers. The Governor based his \$35 million reduction on the amount of unused funding in the current year. However, participation in this program has been increasing every year, and the subcommittee therefore decided to restore the \$35 million reduction, to fully fund the program in the budget year.
- **English language development test.** The budget provides \$2.25 million in one-time funds to help school districts pay for one-time start-up costs (such as training) associated with administering a new exam to assess the English skills of students not fluent in English. (The Governor's May Revise proposed a \$2.25 million reduction in funding for administration of this test, due to its calculation of an estimated savings in the budget year, which the Subcommittee's budget restores on a one-time basis.)
- **K-3 class size reduction deficiency in the current year.** The budget provides \$62 million in one-time funds to pay for a funding shortfall expected in the current year, due to an error in the calculation of the COLA for this program in 1998-99.

⁴ Note that in his May Revise, the Governor proposes a reduction in the budget year cost of his proposal, from \$100 million as proposed in January, to \$65 million, based on amendments to the accompanying legislation which scaled back the scope of the proposal.

- **Multi-track year-round operational grants.** The budget provides \$26 million in one-time funds to augment funding for multi-track year-round operational grants. These grants were initiated several years ago as a way to reduce statewide costs for constructing new facilities and are now used by many school districts to defray the additional cost of operating multi-track year round schools.
- **State operations in the California Department of Education.** The budget restores 34.7 positions proposed to be deleted by the Governor in his budget. The subcommittee's restoration of these positions is based on data provided by the department that indicate that its vacancy rate would be below five percent were it to experience the proposed reduction in positions.
- **Substitute training.** The budget provides \$305,000 for a pilot program to provide specialized staff development to substitute teachers in low-performing schools.
- **Supplemental instruction transportation.** The budget provides \$400,000 for the additional student transportation costs associated with providing summer school and other forms of supplemental instruction in small and rural school districts.
- **Beginning teacher salary -- latecomers.** The budget provides \$310,000 to pay for the participation costs of school districts that submitted late applications for the beginning teacher salary program. The districts submitted late applications due to miscommunication by the California Department of Education regarding application deadlines.
- **Human Rights and Genocide curriculum.** The budget provides \$500,000 for the California Department of Education to distribute an existing model curriculum regarding human rights and genocide.

Child care. The budget approved by the subcommittee provides the following:

- \$66 million in one-time funding to fully fund the Stage 3 set-aside for families that have transitioned off of CalWORKs and still are in need of childcare in order to continue working. The Governor's January and May Revise budgets did not propose to fully fund the childcare needs of this population, due to its concerns about the increasing cost of CalWORKs. The administration plans to release the results of a multi-year study of options to serve more families with subsidized childcare using existing resources, and it states that it does not intend to address funding the Stage 3 set-aside until the issues covered by the report are addressed.
- Full funding for Stage 2 childcare for CalWORKs families, as proposed by the Governor in his May Revise.
- A \$66.8 million increase to pay for the full-year cost of a childcare/preschool expansion approved last year, as proposed by the Governor in January.

- \$5.4 million to help subsidized childcare programs pay for increased staffing costs due to an increase in the minimum wage, as proposed by the Governor in January.
- A \$4 million increase in one-time childcare carryover funds for training and distribution of pre-kindergarten learning guidelines, which are intended to help subsidized preschool and childcare programs prepare children for kindergarten and the early grades, as proposed by the Governor in January.
- \$1 million for the Home-Based Instruction Program for Preschool Youth, which provides preschool curriculum for parents to instruct their children at home, as proposed by the Governor in January.

Special education. The budget approved by the subcommittee provides the following;

- An augmentation of \$94 million in new federal funds, distributed as follows: sixty percent to be used for funding equalization for special education local planning areas, and forty percent to be distributed on an equal basis per ADA. This proposal differs from the Governor's budget as proposed in January, which distributes all funds on all equal basis per ADA.
- An augmentation of \$395 million to pay for a mandated cost claim the state recently settled with school districts over the cost of compliance with state special education mandates over the past twenty years. This amount includes \$270 million in one-time funds for prior-year claims, \$100 million in ongoing funds and \$25 million as part of a plan to provide \$250 million over 10 years.
- An increase of \$5 million for the state special schools, which serve hearing- and visually-impaired students, as proposed by the Governor.

Oversight issues. During its hearings, the subcommittee heard a number of oversight issues, and accordingly adopted the following supplemental report language regarding:

- Implementation of a statewide information system regarding the state's childcare system, for which funding was approved several years ago, but whose implementation has been delayed by the California Department of Education.
- The California Department of Education's oversight of school districts' compliance with federal and state special education law.
- School districts' implementation of anti-social promotion legislation passed several years ago, which requires students who are behind grade level to attend summer school and supplemental instruction.

Other provisions. The budget approved by the subcommittee contains the following other provisions, as proposed by the Governor in his January or May Revise budgets:

- Reductions in budget-year funding levels for various programs, based on lower-than expected participation in the budget year, including \$10 million from the Peer Assistance and Review program, \$16.8 million from the English Language Acquisition Program for children in grades 4-8, \$10 million from 7th and 8th grade algebra academies, \$60 million from the elementary intensive reading program and \$30 million from the 9th grade class size reduction program, all of which were approved by the subcommittee. The budget assumes similar savings in current year funding from the same programs. In addition, the Governor's May Revise proposed a reduction of \$35 million in the Instructional Time and Staff Development Reform program and \$10 million in adult education, which the subcommittee rejected.
- The shift of some expenditures proposed in January with ongoing budget year funds to one-time current-year funds, thereby freeing up budget-year ongoing funding for other purposes.
- A decrease of \$127 million from the Governor's January proposed funding level for performance awards to schools that meet performance targets. This decrease was proposed by the Governor in his May Revise and reduces the budget level funding level to that provided in last year's budget.
- A total increase of \$18.7 million for the charter school categorical block grant, as proposed by the Governor, for a 82% increase over last year's funding level.
- An increase of \$133.6 million in new federal funds for facilities renovation.
- An increase of \$15 million in one-time funds for parental involvement programs.
- An increase of \$4.5 million for fiscal oversight of school districts.
- An increase of \$1.9 million to expand apprenticeship programs.
- An increase of \$2.4 million to expand partnership academies.

6120 CALIFORNIA STATE LIBRARY

The budget for the California State Library contains the following augmentations:

- \$500,000 to expand participation in the Families for Literacy Program, which provides literacy skills to students at risk of failing in school because their parents or guardians are illiterate.
- \$41,000 to add new public libraries to the California Library Services Act system.
- \$1.25 million for the Transaction Based Reimbursement Program, which facilitates inter-library loans.
- \$106,000 and two redirected positions for increased workload.
- \$106,000 and one redirected position for facilities management of the Library and Courts buildings, the Sutro Library and the new Office of Library Construction.
- \$157,000 and two redirected positions to digitize the Library's collection of historic photographs and make them available on-line.
- \$429,000 on a one-time basis for increased costs of maintenance and repair needs in the Library and Courts II building.

The Governor's May Revise proposed the deletion of three augmentations proposed in January: a \$3.2 million augmentation for the Library of California, a \$500,000 augmentation for the Families for Literacy Program, and a \$2 million augmentation for the Public Library Foundation. The subcommittee sustained these deletions, with the exception of the \$500,000 for the Families for Literacy Program, which the subcommittee approved at the January funding level.

6360 COMMISSION ON TEACHER CREDENTIALING

The budget contains the following augmentations for the Commission on Teacher Credentialing, all proposed by the Governor:

- An increase of \$184,000 from the Teacher Credentials Fund for two staff in the Division of Professional Practices to address workload increases. This augmentation also includes \$53,000 for CTC to contract with the Office of the Attorney General for the provision of legal assistance.
- \$160,000 to make permanent two one-year, limited-term positions that were provided last year for CTC to initiate an information technology system.

- An increase of \$1.2 million for the Teacher Credentialing Service Improvement Project, which is an information technology project intended to allow teacher credential applicants to apply on-line.
- An increase of \$386,000 in federal funds for a Teacher Quality Enhancement Grant Program.
- An increase of \$46,000 in federal funds for the Troops to Teachers Program.
- \$200,000 for validity studies related to assessment instruments used by CTC to train teachers.

Oversight issue. During its hearings, the subcommittee made inquiries into: 1) the quality of teacher training programs overseen by the Commission on Teacher Credentialing, 2) the extent to which teacher training programs in institutions of higher education are training teachers in the state standards and 3) the progress of CTC's efforts to improve its customer service to teacher credential applicants and prospective teachers. It accordingly adopted supplemental report language requiring CTC to respond to the above inquiries.

6440 UNIVERSITY OF CALIFORNIA

Expanding Access:

- **Enrollment Growth.** The budget provides \$65 million to fully fund enrollment growth, accommodating an additional 10,522 Full-time Equivalent Students.
- **No Student Fee Increase.** The budget provides \$21.5 million to avoid a 4.9 percent increase in mandatory system-wide student fees.
- **Year-round Operations.** The budget provides \$20.7 million to move to year-round operations at UC Berkeley, UC Los Angeles, and UC Santa Barbara campuses.
- **UC Merced.** The budget provides \$162.4 million, of which \$158.6 million is in lease revenue bonds, to expedite the development of the UC Merced campus in order for the facility to be open to students before 2004-05.
- **The Central Valley.** The budget provides \$26 million in lease revenue bond funding to construct a new medical facility in the Central Valley as part of the UC San Francisco-Fresno Medical Center.
- **Redirection of Outreach Funds:** The budget provides a redirection of 45 million dollars within the University's base budget for short-term "yield" efforts to increase the diversity of students being admitted and enrolling at UC, including funding for

comprehensive admission review efforts, student recruitment and expanded community college outreach.

Improving Quality and Student Success:

- **Teaching Hospitals.** The budget provides \$10 million for clinical teaching support at the University's medical centers, neuropsychiatric institutes and dental clinics.
- **Student Services.** The budget provides \$5 million to expand student services designed to help retain and graduate students at the University.
- **Improving Student Transfer.** The budget provides \$1.1 million for the Articulation System Stimulating Inter-Institutional Student Transfer (ASSIST)'s online services, a program designed to assist students in transferring from a community college to the University of California or the California State University system.
- **Graduate & Professional School Outreach.** The budget provides \$1.5 million to expand graduate and professional school outreach programs intended to identify potential graduate student candidates and help them prepare for and apply to graduate and professional programs.

Securing California's Future:

- **Pierce's Disease.** The budget provides \$3 million in one-time funds to support research into long-term solutions to Pierce's disease, an insect-transmitted bacterium spread by the glassy winged sharpshooter that threatens California's wine, table, and raisin grape industry.
- **Research Initiatives.** The budget provides \$2 million for Spinal Cord research, \$5 million for sustainable agriculture program, and \$4 million in one-time funds for the Binational Health Initiative with Mexico.
- **Institutes for Science and Innovation.** The budget provides \$108 million to develop four UC Institutes for Science and Innovation. These institutes include the UCLA/UCSB California Nano-Systems Institute, UCSD/UCI California Institute for Telecommunications and Information Technology, UCSF/UCB/UCSC California Institute for Bioengineering, Biotechnology and Quantitative Biomedicine and a new institute, to be located at UC Berkeley on information technology.

Energy:

- **Increased Natural Gas Costs.** The budget provides \$100.6 million, including \$55.9 million in one-time funds, to fund increased natural gas costs as a result of higher than anticipated natural gas rates due to the energy crisis.

6610 CALIFORNIA STATE UNIVERSITY

Expanding Access:

- **Enrollment Growth.** The budget provides \$55.7 million to fully fund enrollment growth, accommodating an additional 8,760 Full-time Equivalent Students.
- **No Student Fee Increase.** The budget provides \$16.5 million to avoid a 4.91 percent increase in mandatory fees.
- **Year-round Operations.** The budget provides \$12.4 million in ongoing funds to move to year-round operations at the Fullerton, Long Beach, San Diego and San Francisco campuses.
- **Channel Islands.** The budget provides \$3 million for the final allocation in fixed costs at the new CSU, Channel Islands campus. Over the last two years, the state has provided CSU with \$7.2 million in support funds and \$11.3 million in capital funds to establish the Channel Islands campus.
- **K-12 Academic Preparation.** The budget provides \$1 million to expand the Collaborative Academic Preparation Initiative (CAPI) Program, bringing total funding for this program to \$10 million. The program works with local high schools in the strengthening student English and mathematics skills.

Securing California's Future:

- **Research Initiatives.** The budget provides \$2.4 million for specific research initiatives, including in agricultural research (\$1 million), biotechnology (\$250,000), and marine studies (\$1 million); and \$650,000 for a Central Valley Economic Incubator at CSU Fresno to develop a high-technology industry base in the region.
- **Addressing the Nursing Shortage.** The budget provides \$5 million to increase the number of student enrolled and graduating from nursing programs, by at least 405 additional students over the 2001-02 student levels.
- **K-12 Educational Technology Professional Development Program.** The budget provides a \$18.5 million augmentation for the Education Technology Professional Development Program, bringing total funding for the program to \$25 million, in order to serve an additional 5,000-6,000 teachers and administrators at approximately 32 additional new project collaborative sites.
- **Governor's Teaching Fellowships.** The budget provides an additional \$17.5 million for the Governor's Teaching Fellowship program—bringing total funding for the program to \$21 million. This is a five-fold increase over current-year funding.

The program offers \$20,000 nonrenewable graduate teaching fellowships to students who agree to teach at low-performing schools for four years. The program currently provides 250 fellowships. The 2001-02 appropriation would fund 1,000 fellowships.

Energy:

- **Increase Natural Gas Costs.** The budget provides \$34 million, including \$18.6 million in one-time funds, to fund increased natural gas costs resulting from higher than anticipated natural gas rates due to the energy crisis.

6870 COMMUNITY COLLEGES

Expanding Access:

- **Enrollment Growth.** The budget provides \$114.5 million to fund enrollment growth, accommodating an additional 30,871 Full-time equivalent students, bringing the total Full-time equivalent students served at the Community Colleges to approximately 1,059,899.
- **Student Fee.** The budget does not include an increase in student fees. Community College students will continue to pay \$11 per unit, the lowest in the nation.
- **Cost of Living Adjustment.** The budget provides \$155.4 million to fund a 3.87 percent COLA to fund cost of living increases for both general purpose funds and selected categorical programs.
- **Joint Baccalaureates Program.** The budget provides \$1 million in one-time General Fund support for the San Mateo Community College District (Cañada College) to develop a joint baccalaureates program with San Francisco State University.

Insuring Quality and Student Success:

- **Part-time Faculty Compensation.** The budget provides \$62 million to assist districts in making part-time faculty salaries more comparable to full-time faculty salaries for similar work associated with teaching.
- **Part-time Faculty Office Hours.** The budget provides increased funding of \$4.7 million for part-time office hours, bringing funding specifically for this purpose to \$7.9 million and restoring the two to one State matching requirement.

- **Financial Aid Outreach.** The budget provides \$11 million to assist districts with ensuring that all eligible students apply for Cal Grants.
- **Proving Needy Students with Book Grants.** The budget provides \$2 million to expand the Educational Opportunity Programs and Services Book Grants program to provide financial assistance to needy students in purchasing textbooks.
- **Improving Student Transfer.** The budget provides \$2 million to the Chancellor's office for transfer grants designed to assist historically "low transfer" community colleges in improving student success in transfer to UC and CSU.

Securing California's Future:

- **Economic Development.** The budget provides \$5 million to increase the number of Industry Driven Regional Collaboratives specifically addressing high demand for information technology, nursing, and biotechnology workforce development services.
- **Addressing the Nursing Shortage.** The budget provides \$10 million to dramatically increase, by 1,000, the number of student enrollments and graduates within highly impacted community college nursing programs across the state by the end of 2002-03.

Energy:

- **Increased Energy/Natural Gas Costs.** The budget provides an additional \$49,000,000 appropriation to the California Community Colleges from the Proposition 98 Reversion Account to assist in defraying colleges' increased electricity and natural gas costs.

7980 CALIFORNIA STUDENT AID COMMISSION**Making College Affordable:**

- **Cal Grant Entitlement and Competitive Awards.** The budget dramatically expands the Cal Grant program by providing an additional \$92.9 million in General Fund support to:
 - ◆ Provide, for the first time in the State's history, Entitlement awards for all qualifying high school seniors; provide 22,5000 Competitive awards for other college students;
 - ◆ Increase the Cal Grant B access costs from \$1,548 to 41551;
 - ◆ provide funding for the ongoing costs of the existing Cal Grant Award Programs;
- **Loan Assumption Payments.** The budget provides \$7.9 million in General Fund support for an increase in loan assumption payments due to the growth in the number of APLE participants.
- **Administration and Outreach Programs.** The budget provides \$1.8 million in General Fund support for 21.5 positions associated with administering the Cal Grant Entitlement and Competitive Award Programs and the Community College Student Financial Aid Outreach Program.
- **Feasibility Study Report.** The budget provides \$4.5 million in General Fund support for 13.5 positions to continue implementation of the Feasibility Study Report for the Cal Grant Entitlement and Competitive Grant Award Programs.
- **Cal Grant Entitlement Award Outreach.** The budget provides \$5 million to increase targeted outreach efforts to needy students who may not know that they are eligible for an entitlement award.