

**AGENDA**  
**ASSEMBLY BUDGET SUBCOMMITTEE NO. 2**  
**ON EDUCATION FINANCE**  
**Assemblymember Julia Brownley, Chair**

**PART 2**

**WEDNESDAY, MAY 23, 2007**  
**STATE CAPITOL, ROOM 444**  
**10:00 A.M.**

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**ITEM 6440 UNIVERSITY OF CALIFORNIA (UC)****ISSUE 1: CALIFORNIA INSTITUTES FOR SCIENCE AND TECHNOLOGY**

The issue for the subcommittee to vote on is the Governor's \$15 million General Fund augmentation to support the operating costs of the California Institutes of Science and Technology.

**BACKGROUND:**

For the current year, the *2006-07 Budget Act* provided a total of \$4.8 million in General Fund support to UC for the operation of four California Institutes for Science and Innovation. These institutes enable UC faculty to work directly with private companies on such issues as information technology, biomedical research, nanotechnology, health care, and traffic congestion. For the budget year, the Governor proposes a \$15 million increase in base funding for the institutes, for a total of \$19.8 million—a quadrupling in the level of funding. According to the Administration, the proposed augmentation is intended to fund advanced technology infrastructure, personnel, and “seed money” to build new research teams. The four institutes are a multidisciplinary research effort by the UC working in partnership with private companies in the areas of information technology, biomedical research and nanotechnology.

**COMMENTS:**

Budget staff is not clear as to whether the funding is requested to support infrastructure projects or for operations support.

In their 2007-08 Budget Bill Analysis, the LAO states that according to the Administration, the proposed augmentation is intended to fund advance technology infrastructure, personnel, and "seed money" to build new research teams.

If funding is requested for infrastructure projects, then lease revenue bonds can be an option as a funding source. However, if the funding is requested to support operations, Budget staff recommends that this request is rejected since the subcommittee has approved General Fund restorations for the UC Student Academic Preparation and Educational Programs (SAPEP) and the UC Miguel Contreras Labor Program totaling \$25.3 million in General Fund.

**ITEM 6610 CALIFORNIA STATE UNIVERSITY (CSU)**

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**ISSUE 1: ACADEMIC PREPARATION PROGRAMS AND STUDENT SUPPORT SERVICES**

The issue for the subcommittee to vote on is the restoration of \$7 million in General Fund to support State-funded academic preparation programs and student support services at the CSU.

**BACKGROUND:**

The Governor's budget proposes to eliminate \$7 million for academic preparation and student services programs. Without General Fund support, funding for these programs in 2007-08 would be \$45 million from CSU funds as agreed in the Compact with the Governor. The *2006-07 Budget Act* provided \$52 million for these programs. Of this amount, \$7 million were General Fund and \$45 million were CSU funds. In the Compact, the CSU agreed to provide no less than \$45 million to support the continuation of the "most effective" programs. The Compact also states that "additional funding provided by the State would be subject to the annual budget act."

**COMMENTS:**

Budget staff would like to caution subcommittee members that augmenting this item would take the item to Conference Committee since the Senate already approved this restoration.

## ITEMS TO BE HEARD

### **ITEM 6360 COMMISSION ON TEACHER CREDENTIALING (CTC)**

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#### **ISSUE 1: MAY REVISION LETTER: PROPOSITION 98 REVERSIONS**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

#### **Item 6360-495, Proposition 98 Reversions (Issues 095 and 096)**

It is requested that the following additions be made to this item to reflect reversions of savings into the Proposition 98 Reversion Account, due to less than anticipated participation in the Alternative Certification Program and the Paraprofessional Teacher Training Program.

#### **Additions:**

X. \$7,441,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (1) of Item 6360-101-0001, Budget Act of 2006 (Chs. 47/48, Stats. 2006).

X. \$1,645,000 or whatever greater or lesser amount reflects the unexpended funds from Schedule (2) of Item 6360-101-0001, Budget Act of 2006 (Chs. 47/48, Stats. 2006).

**ISSUE 2: MAY REVISION LETTER: FUND INCENTIVES FOR SCIENCE AND MATH TEACHERS**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**Item 6360-101-0001, Local Assistance, Commission on Teacher Credentialing**

Fund Incentives for Science and Math Teachers (Issue 100)

It is requested that a new schedule be added to Item 6360-101-0001 in the amount of \$7,500,000 as follows to fund a variety of incentives for existing credentialed teachers in other subject areas to become authorized to teach science and math.

10.20.005.000	Incentives	for	Science	and	Math	Teachers.....	7,500,000
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It is further requested that provisional language be added to this item as follows:

X. The funds appropriated in Schedule (X) are for grants to school districts, county offices of education, and charter schools to fund various incentives to encourage existing credentialed teachers in other subject areas to become qualified to teach science and math in California schools. The Commission shall develop an effective incentive structure and allocation methodology in consultation with the Department of Finance and Office of the Secretary of Education prior to allocation of these funds.

**ISSUE 3: MAY REVISION LETTER: FUNDING FOR ENCORPS**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**Provide Ongoing Proposition 98 Dollars and Increase Funding for EnCorps (Issue 101)**

It is requested that a new schedule be added to Item 6360-101-0001 in the amount of \$12.0 million to reflect a shift of \$10.0 million from one-time to ongoing Proposition 98 dollars for the EnCorps Program and to increase funding for the program by \$2.0 million as follows:

10.20.006.000	EnCorps	
Program.....		12,000,000

It is further requested that provisional language be added as follows:

X. The funds appropriated in Schedule (X) are to be allocated consistent with Section 44383 of the Education Code for new participants in a district, county office of education, charter schools, or university intern program who are participating as part of a public-private partnership with industry and business, to be known as EnCorps, to actively recruit retiring professionals to the classroom for the purpose of gaining a preliminary or professional clear teaching credential in mathematics, science, or career technical education. These funds shall remain available for encumbrance until June 30, 2009.

Amendment to Non-Budget Act Item 6360-650-0001, Proposition 98, Local Assistance, Commission on Teacher Credentialing (Issue 102)

**Shift Funding for EnCorps Program to Ongoing Proposition 98 Funds**

It is requested that this item be reduced by \$10.0 million to conform to the May Revise proposal to fund the EnCorps Program with on-going Proposition 98 General Fund rather than with one-time Proposition 98 funds. It is further requested that trailer bill language be amended to conform to this action.

**ITEM 6870 CALIFORNIA COMMUNITY COLLEGES (CCC)****ISSUE 1: MAY REVISION LETTER: INCREASE STAFF FOR BOND ACCOUNTABILITY**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

State Operations—Budget Year:

**6870-001-6049, Increase Staff for Bond Accountability (Issue 882)**

It is requested that Item 6870-001-6049 be added to appropriate \$143,000 in bond funds to support one (one-year) limited-term position to develop a website to track expenditures and project data for Proposition 1D funded projects pursuant to Executive Order S-02-07, as follows:

6870-001-6049—For support of the Board of Governors of the California Community Colleges, Program 20.40.010-Facilities Planning, payable from the 2006 California Community	College	Capital	Outlay
Bond.....			\$143,000

## Provisions:

1. The funds appropriated in this item are available to support one-time personnel and administrative costs necessary for the development of a website to track expenditures and project data for Proposition 1D funded projects, pursuant to Executive Order S-02-07.



**ISSUE 2: MAY REVISION LETTER: INCREASE STAFF FOR LOGISTICS PROGRAM IMPLEMENTATION**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-102-0890, Increase Federal Funding for the CCC Logistics Program (Issue 875)**

It is requested that Item 6870-102-0890 be added to appropriate \$1,490,000 from the Federal Trust Fund to assist in developing online delivery of training and referral services, design logistics modules, and align new curriculum with a-g standards for selected logistic programs as follows:

6870-102-0890 – For local assistance, Board of Governors of the California Community Colleges, Program 20.97.000 – Special Services and Operations, payable from the Federal Trust

Fund.....\$1,490,000

Provisions:

1. The funds provided to this item shall be used to implement a community college logistics program pursuant to a grant from the U.S. Department of Labor. This program will focus on developing online delivery of training and referral services, designing logistics modules, and aligning new curriculum with a-g standards for selected logistic programs.

**6870-002-0890, Increase Staff for CCC Logistics Program Implementation (Issue 876)**

It is requested that Item 6870-002-0890 be added to appropriate \$251,000 from the Federal Trust Fund to support two (two-year) limited-term positions and operating expenses necessary for the implementation of a community college logistics program, as follows:

6870-002-0890—For support of the Board of Governors of the California Community Colleges, for payment to Item 6870-001-0001, payable from the Federal Trust Fund.....\$251,000

Provisions:

1. The funds appropriated in this item are available to support personnel and operating expenses necessary for the implementation of the community college logistics program pursuant to a grant from the U.S. Department of Labor in Item 6870-102-0890.

**ISSUE 3: MAY REVISION LETTER: ENROLLMENT GROWTH FUNDING REDUCTIONS**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

Local Assistance--Budget Year:

**6870-101-0001, Growth Funding Reduction (Issue 871)**

It is requested that this item be reduced by \$1.6 million Proposition 98 General Fund to reflect the application of 2 percent growth on a reduced apportionment base, as discussed in Issue 877.

It is also requested that provisional language be added to specify that restored workload shall have first priority for new growth funding, as follows:

9.1. Notwithstanding any other provision of law or regulation, funds appropriated in Schedule (3) for Growth for Apportionments shall be allocated to districts restoring workload as a first priority before allocations for new workload if the apportionment base is insufficient to fund all restoration workload.

**6870-101-0001, Reduce Apportionments for Unused Current and Prior Year Growth Funding (Issue 877)**

It is requested that this item be reduced by \$80.0 million Proposition 98 General Fund to reflect unused current and prior year growth funding of an identical amount, thus re-benchmarking base apportionments on an ongoing basis.

It is also requested that provisional language be added to this item to specify this as an ongoing adjustment, as well as delineate a process for reverting un-obligated funds from Schedule (1) Apportionments and Schedule (3) Growth for Apportionments, as follows:

4.1. (a) *The amount appropriated in Schedule (1) for Apportionments reflects a reduction of \$80 million to account for an identical amount of unused current and prior year growth funding.*

(b) *Notwithstanding any other provision of law or regulation, un-obligated funds available from schedules (1) Apportionments and (3) Growth shall revert to the Proposition 98 Reversion Account within 45 days after the Chancellor certifies the annual recalculation for each fiscal year. Within 15 days after certification, the Chancellor shall provide a report to the Department of Finance of his estimate of un-obligated amounts detailing at a minimum the earned amounts for each district for credit and non-credit workload growth, changes in foundation grant entitlements, stability funding earned, restoration of workload earned, any estimated shortfalls in property taxes, and any other adjustments to district apportionment funding for the fiscal year. Upon approval of the report by the Department of Finance, the Chancellor shall notify the State Controller to revert the approved un-obligated amounts to the Proposition 98 Reversion Account.*

**ISSUE 4: JANUARY 10<sup>TH</sup> PROPOSAL: BASIC SKILLS OVERCAP FUNDING REDIRECTION**

The issue for the subcommittee to consider is the Governor's proposal to permanently redirect \$33.1 million of surplus Basic Skills over-cap incentive funding to support matriculation and support services.

**BACKGROUND:**

The Governor's budget proposes a \$33.1 million redirection of surplus Basic Skills over-cap incentive funding to support additional matriculation and support services. According to the Administration, these funds are currently dedicated for student instruction that exceeds district funding limits and are not projected to be needed in the foreseeable future. Instead, the Administration is proposing to use this amount to help the most at-risk first-time students that are in transition from high school to define and complete specific academic goals. Of the \$33.1 million, the Administration is proposing to use \$14 million for additional matriculation services, which include orientation, counseling and academic assessment, and referrals to specialized services, and \$19.1 million to be used for targeted counseling services to help student's assess career options, evaluate aptitudes and form an academic plan of study.

The May Revision letter amended language for the Student Success Initiative, which proposes more restrictive uses of the funds.

**ISSUE 5: MAY REVISION LETTER: INCREASE COLA FOR APPORTIONMENTS**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-101-0001, Increase COLA for Apportionments (Issue 878)**

It is requested that this item be increased by \$23,576,000 Proposition 98 General Fund to reflect a revision in the statutory COLA factor from 4.04 percent to 4.53 percent.

**6870-101-0001, Increase COLA for Selected Categorical Programs (Issue 879)**

It is requested that this item be increased by \$1,612,000 Proposition 98 General Fund to reflect a revision in the statutory COLA factor from 4.04 percent to 4.53 percent. It is additionally requested that Provision 12 be amended to conform to this action.

**ISSUE 6: MAY REVISION LETTER: INCREASE REVENUE DERIVED FROM STUDENT FEES**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-101-0001, 6870-601-0992, Increase Local Student Fee Revenues (Issue 880)**

It is requested that Item 6870-101-0001 be reduced by \$1,795,000 Proposition 98 General Fund to reflect an increased estimate of student fee revenues for 2007-08. It is further requested that student fee revenue expenditures be increased to conform to this action.

**ISSUE 7: MAY REVISION LETTER: INCREASE BOARD FINANCIAL AID PROGRAM ADJUSTMENTS**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-101-0001, Increase Board Financial Aid Program (BFAP) Adjustments (Issue 881)**

It is requested that the BFAP program be increased by an additional \$332,000 Proposition 98 General Fund to reflect 2007-08 base adjustments to the statutory 2 percent and \$0.91/unit compensation provided to districts for fee waiver administration, as a result of re-estimated student fee revenues.

It is also requested that provisional language be amended to conform to this action as follows:

“11. (a) Of the funds appropriated in Schedule (4) for Student Financial Aid Administration, not less than ~~\$10,000,000~~ \$10,170,000 is available to provide \$0.91 per unit reimbursement to community college districts for the provision of board of governors (BOG) fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(b) Of the funds appropriated in Schedule (4), not less than ~~\$4,308,000~~ \$4,470,000 is available to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of BOG fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.”

**ISSUE 8: MAY REVISION LETTER: INCREASE FUNDING FOR TELECOMMUNICATIONS AND TECHNOLOGY**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-101-0001, Increase Telecommunications and Technology Funding and Amend Provisional Language for the California Partnership for Achieving Student Success (CalPASS) (Issue 884)**

It is requested that this item be increased by \$1.9 million Proposition 98 General Fund to provide support for the ongoing maintenance and delivery of redundant circuitry for local community colleges, with provisional language added to govern the use of those funds. It is also requested that provisional language for the CalPASS program be amended to specify additional accountability requirements, and that additional language be added to require an annual report of total Telecommunications and Technology expenditures.

**ISSUE 9: MAY REVISION LETTER: INCREASE LOCAL PROPERTY TAX REVENUES**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-101-0001, 6870-601-0986, Increase Local Property Tax Revenues (Issue 886)**

It is requested that Item 6870-101-0001 be reduced by \$5,879,000 Proposition 98 General Fund to offset an estimated increased in oil and mineral revenue for community colleges. It is further requested that property tax revenue expenditures be increased to conform to this action.



**ISSUE 10: MAY REVISION LETTER: INCREASE OIL AND MINERAL REVENUES**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-101-0001, 6870-612-0342, Increase Oil and Mineral Revenues (Issue 887)**

It is requested that Item 6870-101-0001 be reduced by \$1,786,000 Proposition 98 General Fund to offset an estimated increased in oil and mineral revenue for community colleges. It is further requested that oil and mineral revenue expenditures be increased to conform to this action.

**ISSUE 11: MAY REVISION LETTER: INCREASE FUNDING FOR FOSTER CARE EDUCATION PROGRAM**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-101-0001, Increase Funding for the Foster Care Education Program (Issue 888)**

It is requested that this item be increased by \$500,000 Proposition 98 General Fund to increase training and education opportunities for potential foster parents and relative/kinship providers.

**ISSUE 12: MAY REVISION LETTER: INCREASE FUNDING FOR MATRICULATION**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-101-0001, Increase Matriculation Funding (Issue 897)**

It is requested that this item be increased by \$10 million Proposition 98 General Fund for ongoing support of the Matriculation program, providing colleges with additional resources to assist students in progressing towards their educational goals.

**ISSUE 13: MAY REVISION LETTER: ELIMINATE FUNDING FOR ONE-TIME BACCALAUREATE PILOT PROGRAM**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-101-0001, Eliminate Funding for One-Time Baccalaureate Pilot Program (Issue 898)**

It is requested that this item be reduced by \$100,000 Proposition 98 General Fund to reflect the elimination of one-time funding for a Baccalaureate Pilot Program established by Chapter 515, Statutes of 2005, AB 1280 (Maze).

**ISSUE 14: MAY REVISION LETTER: INCREASE FUNDING FOR FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

6870-107-0001, Increase Funding for Fiscal Crisis and Management Assistance Team (FCMAT) Services (Issue 872)

It is requested that this item be increased by \$220,000 Proposition 98 General Fund to provide additional resources for the Board of Governors to access services provided by FCMAT to help ensure greater monitoring and evaluation of those community college districts in financial distress.

**ISSUE 15: MAY REVISION LETTER: ONE-TIME FUNDING RE-APPROPRIATIONS**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**Current Year:****6870-652-0001, Local Assistance, One-Time Augmentations (Issues 894 and 895)**

It is requested that this non-Budget Act item be increased by a total of \$100,000,000 to fund one-time expenditures from additional current year Proposition 98 General Funds. The following uses of the funds will be proposed through trailer bill legislation:

\$50.0 million for the purchase of career technical education equipment with a minimum life expectancy of 10 years, and minor facilities reconfigurations. (Issue 894)

\$50.0 million for purchase of nursing equipment with a minimum life expectancy of 10 years, and other one-time nursing program investments. (Issue 895)

**Budget Year:****6870-486, 6870-605-0001, Community College Reappropriations (Issue 896)**

It is requested that Item 6870-486 be added to reappropriate \$52.7 million from the Proposition 98 Reversion Account for one-time investments in technology and deferred maintenance, and textbook assistance for low income students, as follows:

6870-486--Reappropriation (Proposition 98), Board of Governors of the California Community Colleges. The sum of \$52.7 million is reappropriated for local assistance from the Proposition 98 Reversion Account, for the following one-time purposes:

(1) \$47.5 million for schedule maintenance and special repairs, replacement of instructional equipment and library materials, hazardous substances abatement projects, and architectural barrier removal projects designed to meet the requirements of the federal Americans with Disabilities Act of 1990. To receive funding provided in this schedule, districts shall provide an appropriate local match, dependent on project type, as defined in Provision 23 of Item 6870-101-0001 of this act.

(2) \$2.7 million for one-time investments to create redundant circuits for all community colleges. For each \$1 a district expends from this appropriation, the recipient district shall provide \$1 in matching funds.

(3) \$2.5 million to provide grants to qualifying students to help defray the cost of textbooks. These grants shall be provided to the neediest students who qualify for a Board of Governors fee waiver, but who do not qualify for this type of assistance under the Cooperative Agencies Resources for Education (C.A.R.E.) program pursuant to Education Code Section 79150. The Board of Governors shall develop criteria to prioritize the allocation of these grants.

**ISSUE 16: MAY REVISION LETTER: PROPOSITION 98 REVERSION ACCOUNT FUNDS**

In a May Revision letter, Department of Finance (DOF) proposes the following amendment to the January 10<sup>th</sup> budget:

**6870-495 – Reversion, California Community Colleges, Proposition 98 (Issue 889)**

It is requested that this item be amended to reflect an updated amount of surplus 2006-07 property tax and oil and mineral revenues that makes a like amount of current year Proposition 98 General Fund available for reversion to the Proposition 98 Reversion Account. It is also requested that two additional reversions be added to reflect unused base apportionment and growth funding for 2006-07, as well as unused Basic Skills Overcap funding, as follows:

“6870-495--Reversion, California Community Colleges, Proposition 98. The following amounts shall be reverted to the Proposition 98 Reversion Account by the Controller within 60 days of enactment of this act:

“(1) ~~\$4,095,000~~ \$20,939,000, or whatever greater or lesser amount represents the balance available due to higher property taxes and oil and mineral revenues received, as determined by the Chancellor of the California Community Colleges in conjunction with the Department of Finance, than estimated to be available at the time the 2006 Budget Act was approved, from Schedule (1), Apportionments, of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2006.

(2) \$80,000,000, or whatever greater or lesser amount represents the balance available from Schedule (1), Apportionments, of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2006 (Ch. 47/48, Stats. 2006) as determined by the Chancellor in conjunction with the Department of Finance.

(3) \$33,110,000 from Schedule (2), Basic Skills and Apprenticeship, of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2006 (Ch 47/48, Stats 2006), notwithstanding control provision 9 of that act.”

**ATTACHMENT 1****BUDGET BILL LANGUAGE:  
CSU STUDENT ACADEMIC PREPARATION PROGRAMS****Amend Provision 10 of Item 6610-001-0001:**

10. Of the amount the funds appropriated in Schedule (1), ~~\$45,000,000~~ \$52,000,000 is appropriated for student academic preparation and student support services programs. The university shall provide \$45,000,000 and the State shall provide \$7,000,000 to support the Early Academic Assessment Program and the Educational Opportunity Program. It is the intent of the Legislature that the university report on the outcomes and effectiveness of the Early Academic Assessment Program to the fiscal committees of each house of the Legislature no later than March 15, 2008.

## ATTACHMENT 2

### BUDGET BILL LANGUAGE: UC MATH AND SCIENCE TEACHER INITIATIVE

#### Amend Provision 12 of Item 6440-001-0001:

Of the funds provided in Schedule (1), \$1,125,000 is appropriated for science and math resource centers to implement the Science and Math Teacher Initiative. The ~~university~~ University of California (UC) shall report to the Legislature and the Governor by ~~April~~ February 1, 2008, on its progress toward increasing the quality and supply of science and math teachers. This report shall include the following information: (a) annual number of math and science teachers awarded credentials (by each UC campus) beginning with the 2004-05 academic year (before the state first provided funding for initiative), (b) an expenditure plan on the use of the above funds, (c) the effectiveness of the initiative's different components/activities (including an identification of best practices), and (d) the job placement of students that earn a math or science teacher credential (including the location of the K-12 school of employment, such as whether it is in an urban, rural, suburban setting).

**BUDGET BILL LANGUAGE:  
CSU MATH AND SCIENCE TEACHER INITIATIVE**

**Amend Provision 6 of Item 6610-001-0001:**

Of the funds provided in Schedule (1), \$2,713,000 is appropriated to enhance the capacity of science and math teacher credential programs to implement the Science and Math Teacher Initiative. The ~~university~~ California State University (CSU) shall report to the Legislature and the Governor by ~~April~~ February 1, 2008, on its progress toward increasing the quality and supply of science and math teachers. This report shall include the following information: (a) annual number of math and science teachers awarded credentials (by each CSU campus) beginning with the 2004-05 academic year (before the state first provided funding for initiative), (b) an expenditure plan on the use of the above funds, (c) the effectiveness of the initiative's different components/activities (including an identification of best practices), and (d) the job placement of students that earn a math or science teacher credential (including the location of the K-12 school of employment, such as whether it is in an urban, rural, suburban setting).

### **CSU Undergraduate Nursing Enrollments**

6610-001-0001 California State University

Provision 8(b). ~~Of the amount provided for growth in enrollments pursuant to Provision 7 of this item, the university is provided funding to increase enrollments for baccalaureate degree nursing programs by 340 FTES out of the additional 8,355 FTES required by that provision. in~~ Schedule (1), \$3,600,000 is provided to support the full state cost of 340 FTES in baccalaureate degree nursing programs in 2007-08. FTES supported with this funding shall not count toward the enrollment reported in Provision 7. On or before May 1, 2008, the CSU shall report to the Department of Finance and the Legislature the number of additional FTES enrolled in these programs above 2006-07 levels. In the event that CSU enrolls fewer than the 340 additional students for which funding is provided, the funding associated with the enrollment shortfall shall revert to the General Fund. The Director of Finance shall make any such reversion on or before May 15, 2008.



## SUPPLEMENTAL REPORT LANGUAGE FOR LONG RANGE DEVELOPMENT PLANNING

### Item 6440-001-0001—University of California

**Long Range Planning.** Based on academic goals and projected enrollment levels, each University of California (UC) campus and medical center periodically develops a Long Range Development Plan (LRDP) that guides its physical development—such as land use designations, location of buildings, and infrastructure systems—for an established time horizon. In order to ensure greater legislative oversight over the process used by UC to prepare and implement each plan (as well as the accompanying Environmental Impact Report [EIR]), the university shall provide the Legislature with the following:

- **Copies of Draft LRDPs.** At the time draft LRDPs and draft EIRs are submitted for public review, UC shall provide summaries of these documents—including the campus website where the complete documents can be accessed—to the Joint Legislative Budget Committee. (Before the UC Regents can approve an LRDP and certify its accompanying EIR, a campus must allow time for the public to review and comment on these documents, consistent with the requirements of the California Environmental Quality Act [CEQA].)
- **Systemwide Enrollment Projections.** The UC shall provide systemwide enrollment projections through at least 2020 by March 25, 2008. In its report, the university should explain and justify the assumptions and data used to calculate the enrollment projections. The report shall relate the systemwide enrollment projections to the applicable LRDP for each campus. The report shall be presented to the UC Board of Regents before transmittal to the Legislature.
- **Use of Summer Term.** It is the intent of the Legislature that UC campuses make fuller use of the summer term as a means to accommodate an anticipated increase in the number of students with existing classrooms. The university shall report to the Legislature by March 25, 2008, on its efforts to optimize summer enrollment in comparison to other academic terms. This report shall include data on the number of full-time equivalent and headcount students enrolled (by campus) in summer 2007 compared to the three-quarter average enrollment for the regular 2007-08 academic year. In addition, UC shall discuss specific steps campuses are taking to increase summer enrollments.

- ***Mitigation of Off-Campus Impacts – Current Projects.*** When a campus's enrollment and facilities expand, it can sometimes negatively affect the surrounding environment. Consistent with the requirements of CEQA, it is the intent of the Legislature that UC sufficiently mitigate significant off-campus impacts related to campus growth and development. By March 1 of each year from 2008 through 2012, the university shall report (by campus) on the status of implementation – including implementation dates where applicable – of mitigation measures for significant off-campus impacts identified consistent with the requirements of CEQA, including those that require fair share payments to local agencies. This report shall identify the status of fair share mitigation agreements with and payments to local agencies for mitigation of off-campus impacts that are required in certified EIRs. The report should also list any monetary or equivalent in-kind payments to local agencies made by the campuses for the mitigation of off-campus impacts that do not involve fair share language in CEQA documents and that have been implemented under other arrangements. For those significant off-campus impacts that have been triggered but have not been sufficiently mitigated, the university shall report on what additional steps are being taken to reach resolution.
- ***Mitigation of Off-Campus Impacts – Future Projects.*** New capital projects to be included in the annual budget act from 2008-09 through 2012-13 shall identify any known significant off-campus environmental impacts, as well as specify plans to mitigate such impacts (including efforts to work with local jurisdictions).

**Item 6610-001-0001—California State University**

**Long Range Planning.** Each of the 23 California State University (CSU) campuses periodically develops a physical master plan that is supposed to guide the future development of its facilities—based on academic goals and projected student enrollment levels—for an established time horizon. In order to ensure greater legislative oversight over the process used by CSU to prepare and implement each plan (as well as the accompanying Environmental Impact Report [EIR]), the university shall provide the Legislature with the following:

- **Copies of Draft Physical Master Plans.** At the time a draft physical master plan and the accompanying draft EIR are submitted for public review, CSU shall provide summaries of these documents – including the campus website where the complete documents can be accessed – to the Joint Legislative Budget Committee. (Before the CSU Board of Trustees can approve a physical master plan and certify its accompanying EIR, a campus must allow time for public review and comment on these documents, consistent with the requirements of the California Environmental Quality Act [CEQA].)
- **Systemwide Enrollment Projections.** The CSU shall provide systemwide enrollment projections through at least 2020 by March 25, 2008, for the 2008-09 budget year. For physical master plans considering an enrollment ceiling increase, CSU will include 13 years of projected enrollment and discuss how these campus-specific projections relate to the university's systemwide projections. In its report, the university should explain and justify the assumptions and data used to calculate its enrollment projections.
- **Use of Summer Term.** It is the intent of the Legislature that CSU campuses make fuller use of the summer term as a means to accommodate an anticipated increase in the number of students with existing classrooms. The university shall report to the Legislature by March 25, 2008, on its efforts to optimize summer enrollment in comparison to other academic terms. This report shall include data on the number of full-time equivalent and headcount students enrolled (by campus) in summer 2007 compared to the regular 2007-08 academic year. In addition, CSU shall discuss specific steps campuses are taking to increase summer enrollments.

- ***Mitigation of Off-Campus Impacts – Current Projects.*** When a campus's enrollment and facilities expand, it can sometimes negatively affect the surrounding environment. In view of the recent decision in *City of Marina v. CSU Board of Trustees*, it is the intent of the Legislature that CSU take steps to reach agreements with local public agencies regarding the mitigation of off-campus impacts related to campus growth and development. By March 1 of each year from 2008 through 2012, the university shall report (by campus) on the status of any negotiations with local agencies for mitigation measures for significant off-campus impacts identified consistent with the requirements of CEQA (including implementation dates where applicable). For each impact, this report shall identify whether an agreement has been reached with local agencies. The report should also list any monetary and non-monetary in-kind payments made by the campus for the mitigation of off-campus impacts identified as unavoidable in the certified EIRs. For those impacts for which there is no agreement, CSU should explain what steps were taken and if any additional steps will be taken to reach an agreement.

## SUPPLEMENTAL REPORT LANGUAGE FOR LONG RANGE DEVELOPMENT PLANNING

### **6440-301-6048 University of California Santa Cruz**

A Long Range Development Plan (LRDP) for the University of California (UC), Santa Cruz was adopted by the UC Board of Regents in September of 2006. The LRDP envisions significant new construction and enrollment growth for the UC Santa Cruz campus. The local community, including the City and County of Santa Cruz, has raised significant concerns regarding potential environmental impacts caused by University growth, particularly in the area of water supply, traffic, and housing. The Legislature expects that meaningful mitigation of UC Santa Cruz growth-related off-campus impacts will be achieved, including phased growth plans that assure growth takes place as mitigation measures are implemented. Prior to granting funding requests for future capital projects at the UC Santa Cruz campus, the UC shall demonstrate to the Legislature good faith efforts to ensure that adequate mitigation measures are in place concurrently with the completion of the funded capital project.

## ATTACHMENT 3

### 1. Add basic skills line item in 6870-101-0001

### 2. Add following provisional language:

X. Of the amount appropriated in Schedule (X), \$33,100,000 shall be available for the following purposes:

(1) \$1,600,000 for faculty and staff development to improve curriculum, instruction, student services, and program practices in the areas of basic skills and English-as-a-second language (ESL) programs. The Chancellor's Office shall select a district, utilizing a competitive process, to carry out these faculty and staff development activities. Faculty and staff development provided using these funds shall be administered in a manner that ensures all colleges receiving funds pursuant to (2) are provided with opportunities to participate. The Chancellor shall provide a status report on the use of these funds by the selected district to the Legislative Analyst and the Department of Finance no later than September 1, 2008.

(2) \$31,500,000 for allocation by the Chancellor to community college districts for improving outcomes of students who enter college needing at least one course in ESL or basic skills.

(A) Funds allocated pursuant to this subdivision may be expended for program and curriculum planning and development, student assessment, advisement and counseling services, supplemental instruction and tutoring, articulation, instructional materials and equipment, and any other purpose directly related to the enhancement of basic skills, ESL, and related student programs. The allocated funds shall augment, and not supplant, current expenditures by districts for Matriculation and assessment services nor for basic skills or ESL instruction and related student programs.

(B) To be eligible to receive funds pursuant to this subdivision, a district must submit to the Chancellor's Office an application certifying that the college will, within the fiscal year: 1) complete an assessment of its programs and activities serving basic skills and ESL students utilizing the assessment tool developed pursuant to Item 6870-493 (1) of the 2006-07 Budget Act; and 2) submit to the Chancellor's Office an action and expenditure plan for funds received under these provisions.

(C) The Chancellor shall work in consultation with the Department of Finance

and the Legislative Analyst to develop annual accountability measures for this program. It is the intent of the Legislature that annual performance accountability measures for this program utilize data available as part of the accountability system developed pursuant to Section 84754.5.

(D) The Chancellor shall distribute funds on the basis of the number of full-time equivalent students enrolled in basic skills and ESL courses in the preceding fiscal year and may establish a minimum allocation of up to \$100,000 per college. It is the intent of the Legislature that allocations distributed pursuant to these provisions be provided on an ongoing basis, subject to changes in full-time equivalent students enrolled in basic skills and ESL courses.