

## K-12 EDUCATION

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### Department of Education

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#### MAJOR ACTIONS

- ◆ **Total Proposition 98 for K-12 education.** Provides the same level of Proposition 98 funding as proposed by the Governor in his May Revise.
- ◆ **Deferred maintenance.** Restores \$107 million of the \$173 million reduction proposed in April relative to the January funding level, as proposed by the Governor's May Revise. This would bring total funding for the program to \$184 million, a \$107 million increase over last year's funding level.
- ◆ **Instructional materials.** Restores \$100 million of the \$188 million reduction proposed in April by the Governor relative to the January funding level, as proposed by the Governor's May Revise. This would bring total funding for the program to \$275 million, a \$100 million increase over last year's funding level.
- ◆ **Supplemental instructional materials for English learners.** Augments by \$30 million for supplemental instructional materials for English learners, to allow districts flexibility in purchasing off-the-shelf materials that help English learners master English.
- ◆ **Revenue limit deficit reduction.** Provides \$270 million for revenue limit deficit reduction funding (discretionary funding increase of \$270 million, provided to all districts on an equal basis), as proposed by the Governor in April.
- ◆ **Revenue limit equalization.** Provides \$110 million for revenue limit equalization, as proposed by the Governor in his May Revise.<sup>1</sup> This would provide discretionary funding to districts based on their pupils' excused absence<sup>2</sup> rates in the late 1990's, with more funding going to districts with low excused absence rates and less going to districts with high excused absence rates.

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<sup>1</sup> Full cost of equalization is approximately \$400 million and the proposed funding level would be a down payment on the cost of permanently adjusting districts' funding rates.

<sup>2</sup> Pupil absences due to illness, doctor's appointment, family emergencies, etc.

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- ◆ **Universal preschool start-up.** Augments by \$100 million (in both Proposition 98 and non-Proposition 98 funds) for a new one-time set-aside to pay for the start-up costs of establishing a future statewide voluntary preschool program that would be available to all 4-year-olds in California.
  
- ◆ **Categorical reform.** Rejects the Governor's proposal to roll funding for numerous categorical programs into the revenue limit. Instead, the subcommittee deferred to other legislative proposals currently being considered that would combine different similar categorical programs into subject-related block grants.
  
- ◆ **Special education:** Augments by:
  - ◆ \$31 million in federal special education funding to help pay for the costs of providing mental health services to special education students, as proposed in the May Revise;
  - ◆ \$37 million in federal special education funds to pay for a new formula for foster children in special education, including those who are in licensed children's institutions who attend nonpublic schools; and
  - ◆ \$700,000 in federal special education funds for 4 new family empowerment centers.
  
- ◆ **Childcare:** Rejects cuts proposed by the Governor as part of a childcare restructuring proposal, including:
  - ◆ Restoration of cuts related to elimination of subsidized care for 11 and 12-year olds;
  - ◆ Restoration of cuts related to increasing the fees poor families must pay for subsidized childcare;
  - ◆ Restoration of cuts related to changes in the rates for childcare providers, based on geographic location; and
  - ◆ Restoration of cuts related to changes in eligibility for families to receive subsidized childcare.
  
- ◆ **Afterschool programs.** Appropriates \$60.8 million in federal afterschool programs, with language specifying the Legislature's intent that this funding be distributed on a block grant basis instead of the current hourly-rate funding system.
  
- ◆ **Funds for libraries.** Augments by \$95 million for schools to purchase library materials, as proposed by the Governor's May Revise.

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- ◆ **Healthy Start.** Rejects \$2 million cut proposed by the Governor in his January 9 proposal, which would have eliminated funding for the program. This program provides grants to school districts to set up school-based
- ◆ **Arts Work.** Rejects \$6 million cut proposed by the Governor in his January 9 proposal, which would have eliminated funding for the program. This program provides grants to school districts to improve their arts programs.
- ◆ **Academic Intervention and Achievement.** Rejects \$5 million cut proposed by the Governor in his January 9 proposal, which would have eliminated funding for this program. This program provides college preparation assistance to schools and districts with historically low rates of sending students to college.
- ◆ **School-to-Career Program.** Rejects \$1.7 million cut proposed by the Governor in his January 9 proposal, which would have eliminated funding for this program. This program provides grants to school districts to improve linkages with the business community.
- ◆ **Charter school facilities grant program.** Restores \$7.7 million cut to this program, as the Governor proposed in the May Revise. This program provides funding to charter schools in low-income areas, to pay for leasing costs when these charter schools are unable to secure non-leased buildings.
- ◆ **Advancement Via Individual Determination (AVID).** Rejects \$1.3 million cut proposed by the Governor's May Revise to this program, which helps school districts improve the college attendance rates of their students.
- ◆ **School Community Policing Program.** Augments by \$14 million for this program, for a total funding level of \$24 million. This program provides competitive grants to school districts to implement community policing programs to improve school safety.
- ◆ **High Priority Grant Program.** Augments by \$25 million to provide High Priority grants to schools in the second decile of statewide performance.
- ◆ **Declining enrollment.** Augments by \$20 million to provide districts with declining student enrollment an additional year to adjust to reductions in their revenues as a result of declining enrollment.

## HIGHER EDUCATION

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### California Community Colleges

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#### MAJOR ACTIONS

- ◆ **Student Fees.** Rejects Governor's proposal to increase student fees from \$18 to \$26 per unit and from \$18 to \$50 per unit for students holding a bachelor's degree, instead fees are increased from \$18 to \$22 per unit for all students.
- ◆ **Equalization Funding.** Approves \$40 million for Equalization funding out of the \$80 million proposed by the Governor. From this amount, \$20 million are considered Program Improvement funds, which triggers regulatory requirements for districts to hire more full-time faculty. The other \$20 million can be used at local discretion.
- ◆ **Enrollment Growth.** Approves an additional \$27 million for enrollment growth that would accommodate another 7,200 full-time equivalent (FTE) students. These funds are redirected from within the California Community Colleges (CCC) budget.
- ◆ **Noncredit Funding.** Approves an additional \$6 million for noncredit courses. The state funds noncredit courses, which include basic skills, English Second Language (ESL), Citizenship, short-term vocational programs and courses for the disabled.

### California State University

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#### MAJOR ACTIONS

- ◆ **Redirection Proposal.** Rejects the Governor's proposal to reduce the number of freshman enrollment by 10 percent redirecting 3,800 students to the community colleges. The subcommittee restored \$21.1 million in savings associated with decreasing this number of students.
- ◆ **Enrollment Funding.** Approves enrollment growth of three percent for increased funding level of \$59.6 million. This will allow the university to accommodate another 10,320 full-time equivalent (FTE) students.

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- ◆ **Funding for COLA.** Approves \$63.4 million in funding for Cost of Living Adjustments (COLA) equivalent to a 2.41 percent increase.
- ◆ **Excess Unit Fee.** Rejects the Governor's proposed excess unit fee and restored \$24.4 million to account for the lost revenue. This policy would have imposed a surcharge on students that take more units than required for their degree.
- ◆ **Academic Outreach Programs.** Rejects the Governor's proposal to eliminate all funding for these programs and restored funding to the current year level of \$52 million.

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**University of California**

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 **MAJOR ACTIONS**

- ◆ **Redirection Proposal.** Rejects the Governor's proposal to reduce the number of freshman enrollment by 10 percent redirecting 3,200 students to the community colleges. The subcommittee restored \$24.8 million in savings associated with decreasing the number of students.
- ◆ **Enrollment Funding.** Approves enrollment growth of three percent for increased funding level of \$48.9 million. This will allow the university to accommodate another 6,079 full-time equivalent (FTE) students.
- ◆ **Funding for COLA.** Approves \$69.1 million in funding for Cost of Living Adjustments (COLA) equivalent to a 2.41 percent increase.
- ◆ **Excess Unit Fee.** Rejects the Governor's proposed excess unit fee and restored \$9.3 million to account for the lost revenue. This policy would have imposed a surcharge on students that take more units than required for their degree.
- ◆ **Academic Outreach Programs.** Rejects the Governor's proposal to eliminate all funding for these programs and restored funding to the current year level of \$33.3 million.
- ◆ **Professional schools Funding.** Rejects the Governor's proposal to reduce the General Fund subsidy for professional schools by 25 percent restoring funding of \$39.7 million. This reduction would have significantly impacted students pursuing careers in law, medicine, dentistry, business and optometry among them.
- ◆ **Institute for Labor and Employment.** Rejects the Governor's proposal to eliminate all funding for this research institute. Restores \$3.8 million in funding consistent with the proposed five percent reduction for all other research institutes.

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## Hastings College of Law

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### ■ MAJOR ACTIONS

- ◆ **Professional Schools Funding.** Rejects the Governor's proposal to reduce the General Fund subsidy for this school of law by 25 percent and restored funding by \$2.8 million. If this reduction had been approved, student fees would have increased from \$13,735 to \$18,750.

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## California Student Aid Commission

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### ■ MAJOR ACTIONS

- ◆ **Change in Income Qualifications.** Restores \$11.2 million associated with the Governor's proposal to reduce the Cal Grant income ceilings by 10 percent. This proposal would have resulted in 4,450 fewer new Entitlement awards and a reduction to the Competitive eligible pool of 19,000 students.
- ◆ **Financial Aid for Private University Students.** Restores \$32.7 million to fund Cal Grant awards for students attending private universities. The Governor's proposal would have reduced the maximum award for 9,700 new Entitlement and Competitive recipients from \$9,708 to \$5,482.
- ◆ **Competitive Cal Grants.** Restores \$5.4 million for new Cal Grant Competitive awards. This May Revise proposal would have resulted in 5,625 fewer new competitive award recipients in 2004-05.
- ◆ **APLE Awards.** Rejects the Governor's proposal to reduce the number of new APLE awards from 7,700 to 3,500 and change existing eligibility requirements.

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## California State Library

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### ■ MAJOR ACTIONS

- ◆ **Public Library Fund.** Restores \$1.4 million in funding for the Public Library Fund (PLF). The PLF's fund has been reduced from \$58 million to \$15.7 million in the last two years. This funding is used by local libraries for staffing, extending library hours, developing and extending library programs such as Homework Help Centers and After School reading programs and purchasing books, research materials and bookmobiles.