

The 2015-16 State Budget: Governor’s January Proposal

Governor Brown’s proposed budget for 2015-16 includes increased funding for public education at all levels. The total general fund is proposed at \$113.3 billion and assumes a \$4 billion increase in overall revenue through June of 2016. The proposed budget includes a total increase of \$7.8 billion in K-14 education from the 2014-15 budget and \$65.7 billion for Proposition 98 funding. The proposed budget also eliminates all remaining deferrals for both K-12 districts and Community Colleges.

Stay posted for additional developments as the 2015-16 budget cycle continues, and look for an updated CFT Research Brief after the May Revise this spring.

Child Care and Development

2015-16 Proposed State Budget	
COLA	1.58% COLA for capped child care programs.
State Preschool	Increase of 4,000 State Preschool slots with full-day wraparound care.
Provider Rates	Increase of \$33.5 million for rate adjustments.
CalWORKS	Adjustments for caseload for both Stage 2 and 3 CalWORKS programs.

K–12 Education

2015-16 Proposed State Budget	
COLA	Statutory COLA is 1.58%
Local Control Funding Formula (LCFF)	Total of \$50.7 billion for LCFF. Increase of \$4 billion from 2014-15. This will close the LCFF “gap” by 32.19%.
Class Size Reduction (CSR)	Under LCFF, districts that are moving toward or already meeting a ratio of 1:24 in K-3 will receive an adjustment to their LCFF base grant of up to 10.4%.
Career Technical Education (CTE)	Under LCFF districts that have certain CTE classes in 9-12 will receive an adjustment to their LCFF base grant of 2.6%. In addition to the LCFF CTE adjustment there is also \$250 million in one-time funding for each of the next three years for a CTE Incentive Grant Program.
Categorical Funding	Remaining categorical programs under LCFF are subject to the 1.58% COLA.
Discretionary Funding	\$1.1 billion in discretionary one-time funding.
Technology Infrastructure	\$100 million in one-time funding for technology infrastructure.
Proposition 39 (Energy Efficiency)	\$320.1 million for energy efficiency projects at K-12 schools.

Facilities	\$273.4 million in one-time dollars to the Emergency Repair Program.
Deferrals	\$897 million in deferral repayments. This will eliminate all remaining deferrals.
County Offices of Education (COEs)	<p>\$109,000 for 1.58% COLA for COEs.</p> <p>COLA only applies to COEs who are at their LCFF target. If they are more than 1.58% above their target they will not receive additional funding under LCFF this year.</p> <p>\$20 million of the \$1.1 billion in discretionary funding will go to COEs. Funds will be distributed based on county-wide ADA and the number of school districts in the county.</p>
Basic Aid Districts	Basic Aid Districts that continue to have higher local property tax revenue than their LCFF allocation will remain basic aid.
Charter Schools	<p>Charter Schools are also funded under LCFF and the new LCFF formula.</p> <p>\$59.5 million to support projected charter school ADA growth.</p> <p>\$183 per ADA to Charter Schools from the \$1.1 billion in discretionary funds.</p>
Special Education	<p>1.58% COLA.</p> <p>\$15.3 million for Special Education ADA growth.</p>
Teacher Preparation and Assessment	\$10 million in one-time funds over a two year period to address teacher preparation and assessment issues.
District Reserves	<p>Beginning in 2015-16 there will be an enhanced transparency process for districts that propose a reserve higher than the minimum requirement.</p> <p>A cap on reserves will be triggered upon several conditions related to Proposition 98 and the transfer of funds into the Public School Stabilization Fund. If the cap is triggered districts would be prohibited from having reserves in excess of two to three times the minimum requirement.</p>

Adult Education

Adult Education Block Grant	<p>\$500 million for an Adult Education Block Grant.</p> <p>Block grant will fund courses in elementary and secondary basic skills, classes in citizenship, ESL, education programs for adults with disabilities, short-term CTE programs, and programs for apprentices.</p> <p>Future funding would depend on consortium plans and reporting.</p> <p>The \$500 million is proposed in addition to existing community college offerings and does not restrict adult education classes, whether credit or noncredit, currently funded through the base apportionment.</p>
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Community College

2015-16 Proposed State Budget	
COLA	Statutory COLA of 1.58% is funded.
Growth	Enrollment growth funded at 2% (\$106.9 million).
Base Funding	\$125 million increase in base allocation funding.
Deferrals	\$94.5 million to fully pay down all remaining deferrals.
Mandates	\$353.3 million to pay down outstanding mandate claims.
Proposition 39 (Energy Efficiency)	\$39.6 million for energy efficiency projects in Community College Districts.
Categorical Programs	Additional \$200 million for Student Success and Support Program (SSSP) and Student Equity Plans. \$49 million to fund non-credit (or CDCP) rate equalization. \$48 million in one-time funds for Career Technical Education (CTE). \$29.1 million for expansion of Apprenticeship Programs.

University of California

2015-16 Proposed State Budget	
General Fund Increase	Increase of \$120 million conditioned upon tuition remaining flat.

Prepared by Emily Gordon, CFT Research Specialist
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(510) 332-6156