

**Assembly Bill No. 1476**

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Passed the Assembly August 29, 2014

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*Chief Clerk of the Assembly*

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Passed the Senate August 29, 2014

\_\_\_\_\_  
*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2014, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

CHAPTER \_\_\_\_\_

An act to amend the Budget Act of 2014 (Chapter 25 of the Statutes of 2014) by amending Items 0555-001-0193, 0650-001-0001, 2660-001-0046, 3940-001-0193, 3980-001-0001, 3980-001-3056, 5180-001-0001, 5180-151-0001, 5227-101-3259, 5227-106-0001, 6110-111-0001, 6110-194-0001, 6110-195-0890, 6110-196-0001, 6110-488, 6440-001-0001, 6610-001-0001, 6870-101-0001, 7100-001-0514, 7100-001-0870, 8660-001-0462, 8660-001-0493, 8660-101-0493, 9800-001-0001, 9800-001-0494, and 9800-001-0988 of, by adding Items 0250-302-3138, 0690-001-3260, 3940-496, and 8660-011-0470 to, and by repealing Item 0650-001-3259 of, Section 2.00 of, and by amending Sections 11.00 and 39.00 of, that act, relating to the State Budget, and making an appropriation therefor, to take effect immediately, Budget Bill.

LEGISLATIVE COUNSEL’S DIGEST

AB 1476, Committee on Budget. Budget Act of 2014.

The Budget Act of 2014 made appropriations for the support of state government for the 2014–15 fiscal year.

This bill would amend the Budget Act of 2014 by revising items of appropriation and making other changes.

This bill would declare that it is to take effect immediately as a Budget Bill.

Appropriation: yes.

*The people of the State of California do enact as follows:*

SECTION 1. Item 0250-302-3138 is added to Section 2.00 of the Budget Act of 2014, to read:

0250-302-3138—For capital outlay, Judicial Branch, payable from the Immediate and Critical Needs Account, State Court Facilities Construction Fund.....	\$27,000,000
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Schedule:

- (1) 91.34.001-Sacramento County: New Sacramento Criminal Courthouse-Preliminary Plans and Working Drawings..... \$27,000,000

Provisions:

- 1. Notwithstanding any other provisions of law, the funds appropriated in Schedule (1) shall be available for encumbrance until June 30, 2016.

SEC. 2. Item 0555-001-0193 of Section 2.00 of the Budget Act of 2014 is amended to read:

0555-001-0193—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Waste Discharge Permit Fund..... 1,800,000

Provisions:

- 1. Of the amount appropriated in this item, \$1,500,000 is contingent upon penalty revenues that are subject to separate accounting in accordance with subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code in excess of \$229,000 being received and deposited into the Waste Discharge Permit Fund after June 30, 2014, and before July 1, 2015. If the penalty revenues described in the preceding sentence exceed \$229,000, then notwithstanding subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code, the amount in excess of \$229,000, up to a total of \$1,500,000, shall be available for environmental justice grants pursuant to Section 71116 of the Public Resources Code. These funds are available for encumbrance or expenditure until June 30, 2016.

SEC. 3. Item 0650-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

0650-001-0001—For support of Office of Planning and Research.....	5,123,000
Schedule:	
(1) 11-State Planning and Policy Development.....	5,571,000
(2) 21-California Volunteers.....	5,553,000
(3) 31-Strategic Growth Council.....	799,000
(4) Reimbursements.....	-3,893,000
(5) Amount payable from the Federal Trust Fund (Item 0650-001-0890).....	-1,820,000
(6) Amount payable from the Central Service Cost Recovery Fund (Item 0650-001-9740).....	-288,000
(7) Amount payable from the Greenhouse Gas Reduction Fund (Item 0650-001-3228).....	-799,000

Provisions:

1. Of the amount appropriated in this item, \$3,000,000 is available for precision medicine, subject to approval of a spending plan.

SEC. 4. Item 0650-001-3259 of Section 2.00 of the Budget Act of 2014 is repealed.

SEC. 5. Item 0690-001-3260 is added to Section 2.00 of the Budget Act of 2014, to read:

0690-001-3260—For support of the Office of Emergency Services .....	10,000,000
Provisions:	

1. Funds appropriated in this item may be expended or encumbered by the Office of Emergency Services to pay for administrative costs associated with implementation of the railroad tank car hazardous material activities.

SEC. 6. Item 2660-001-0046 of Section 2.00 of the Budget Act of 2014 is amended to read:

2660-001-0046—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Public Transportation Account, State Transportation Fund..... 182,104,000

Provisions:

1. For Program 30—Mass Transportation, \$119,487,000 appropriated in this item is available for intercity rail contracts.
2. Notwithstanding any other provision of law, funds appropriated in this item from the Public Transportation Account may be reduced and replaced by an equivalent amount of federal funds determined by the Department of Transportation to be available and necessary to comply with Section 8.50 and the most effective management of state transportation resources. Not more than 30 days after replacing the state funds with federal funds, the Director of Finance shall notify in writing the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee of this action.
3. Of the funds appropriated in this item, the Department of Finance may transfer expenditure authority among schedules to accommodate increases in Amtrak contract costs related to fuel.

SEC. 7. Item 3940-001-0193 of Section 2.00 of the Budget Act of 2014 is amended to read:

3940-001-0193—For support of State Water Resources Control Board, for payment to Item 3940-001-0439, payable from the Waste Discharge Permit Fund..... 114,038,000

Provisions:

1. Of the amount appropriated in this item, up to \$1,800,000 shall be from the penalty revenues that are subject to separate accounting in accordance with subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code. These funds shall be available to

support a pilot program to address the environmental issues and natural resource damages associated with the cultivation of marijuana.

- 2. Of the amount appropriated in this item, up to \$500,000 shall be from the penalty revenues that are subject to separate accounting in accordance with subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code. These funds shall be available to support the greater Monterey County Regional Water Management Group development of an integrated plan to address drinking water and wastewater needs of the disadvantaged communities in the Salinas Valley.

SEC. 8. Item 3940-496 is added to Section 2.00 of the Budget Act of 2014, to read:

3940-496—Reversion, State Water Resources Control Board.

As of June 30, 2014, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made:

0193—Waste Discharge Permit Fund

- (1) Item 3940-001-0193, Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), for the purposes specified in Provision 1 of that item.
- (2) Item 3940-001-0193, Budget Act of 2013 (Chs. 20 and 354, Stats. 2013), for the purposes specified in Provision 1 of that item.

SEC. 9. Item 3980-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

3980-001-0001—For support of Office of Environmental Health	
Hazard Assessment.....	4,616,000
Schedule:	
(1) 10-Health Risk Assessment.....	22,806,000
(2) Reimbursements.....	-3,646,000

(3) Amount payable from the Unified Program Account (Item 3980-001-0028)....	-147,000
(4) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3980-001-0044).....	-4,052,000
(5) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 3980-001-0080).....	-144,000
(6) Amount payable from the California Used Oil Recycling Fund (Item 3980-001-0100).....	-619,000
(7) Amount payable from the Department of Pesticide Regulation Fund (Item 3980-001-0106).....	-1,916,000
(8) Amount payable from the Air Pollution Control Fund (Item 3980-001-0115)....	-772,000
(9) Amount payable from the California Environmental License Plate Fund (Item 3980-001-0140).....	-959,000
(10) Amount payable from the Oil Spill Prevention and Administration Fund (Item 3980-001-0320).....	-145,000
(11) Amount payable from the Integrated Waste Management Account, Integrated Waste Management Fund (Item 3980-001-0387).....	-277,000
(12) Amount payable from the Public Utilities Commission Utilities Reimbursement Account (Item 3980-001-0462)....	-157,000
(13) Amount payable from the Toxic Substances Control Account (Item 3980-001-0557).....	-251,000
(14) Amount payable from the Federal Trust Fund (Item 3980-001-0890).....	-414,000
(15) Amount payable from the Safe Drinking Water and Toxic Enforcement Fund (Item 3980-001-3056).....	-3,969,000
(16) Amount payable from the Birth Defects Monitoring Fund (Item 3980-001-3114).....	-144,000

(17) Amount payable from the Greenhouse  
 Gas Reduction Fund (Item 3980-001-  
 3228)..... -578,000

SEC. 10. Item 3980-001-3056 of Section 2.00 of the Budget Act of 2014 is amended to read:

3980-001-3056—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the Safe Drinking Water and Toxic Enforcement Fund..... 3,969,000

Provisions:

1. Notwithstanding any other provision of law, of the funds appropriated in Schedule (1) of Item 3980-001-0001, up to \$890,000 is available for development of an enhanced Proposition 65 Internet Web site, for expenditure or encumbrance until June 30, 2016. Funding provided pursuant to this provision shall be made available only upon California Department of Technology approval of a Stage 1 Business Analysis and corresponding Feasibility Study Report.
2. The Director of Finance may increase or decrease this item of appropriation based on the final approved Feasibility Study Report. Within 30 days of making any adjustment, the Department of Finance shall report the adjustment in writing to the Joint Legislative Budget Committee.
3. Notwithstanding any other provision of law, of the funds appropriated in Schedule (1) of Item 3980-001-0001, up to \$894,000 is available for payment of a settlement agreement related to the Proposition 65 program. Any funds appropriated in excess of the amount required for payment of the settlement shall revert to the Safe Drinking Water and Toxic Enforcement Fund.

SEC. 11. Item 5180-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

5180-001-0001—For support of Department of Social Services..... 128,134,000

Schedule:

- (1) 16-Welfare Programs..... 73,182,000
- (2) 25-Social Services and Licensing..... 192,210,000
- (3) 35-Disability Evaluation and Other Services..... 284,022,000
- (4) 60.01-Administration..... 51,662,000
- (5) 60.02-Distributed Administration..... -51,662,000
- (6) Reimbursements..... -48,089,000
- (7) Amount payable from the Foster Family Home and Small Family Home Insurance Fund (Item 5180-001-0131)..... -1,596,000
- (8) Amount payable from the Federal Trust Fund (Item 5180-001-0890)..... -371,595,000

Provisions:

1. The Department of Finance may authorize the transfer of funds from Schedule (2) of this item to Schedule (1), Program 25.30, of Item 5180-151-0001, Children and Adult Services and Licensing, in order to allow counties to perform the facilities evaluation function.
2. The Department of Finance may authorize the transfer of funds from Schedule (2) of this item to Schedule (1), Program 25.30, of Item 5180-151-0001, Children and Adult Services and Licensing, in order to allow counties to perform the adoptions program function.
3. Nonfederal funds appropriated in this item that have been budgeted to meet the state’s Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
4. Notwithstanding paragraph (4) of subdivision (b) of Section 1778 of the Health and Safety Code, the State Department of Social Services may use no more than 20 percent of the fees collected pursuant to Chapter 10 (commencing with Section 1770) of Division 2 of

- the Health and Safety Code for overhead costs, facilities operation, and indirect department costs.
5. Upon request of the State Department of Social Services and the State Department of Health Care Services, the Director of Finance may authorize the transfer of amounts from Item 4260-101-0001, State Department of Health Care Services, to this item to fund the cost of the administrative hearing process associated with changes in aid or service payments in the Medi-Cal program. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made.
  6. Provision 1 of Items 5180-001-0270 and 5180-001-0279 also apply to this item.
  7. Notwithstanding any other provision of law, the Department of Finance may authorize a reduction of positions and associated funding or authorize an increase up to 5.0 positions and associated funding for the expansion of the Title IV-E Child Welfare Waiver Demonstration Project upon final federal approval of the waiver and contingent upon the final number of participating counties in the waiver extension. Approval of the increase for positions and funding would be subject to a 30-day prior notification in writing to the Joint Legislative Budget Committee and the fiscal committees in each house of the Legislature, unless the Chairperson of the Joint Legislative Budget Committee, or his or her designee, imposes a lesser time.
  8. The Department of Finance and Department of Technology shall determine the appropriateness of maintaining funding for permanent positions included in this item and Item 5180-001-0890 for the Child Welfare Services-New System project during the development of the budget for the 2019–20 fiscal year or after implementation of the project is completed, whichever is later.
  9. Schedule (1) reflects an increase in staffing resources for the CalWORKs program. It is the intent of the Legislature that these resources focus on successful

implementation of Early Engagement components and assist in clarification of the intent of recent changes to improve the CalWORKs program and opportunities for clients in a meaningful way.

SEC. 12. Item 5180-151-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

5180-151-0001—For local assistance, Department of Social Services..... 71,559,000

Schedule:

- (1) 25.30-Children and Adult Services and Licensing..... 1,435,400,000
- (2) 25.35-Special Programs..... 30,935,000
- (3) Reimbursements..... -252,878,000
- (4) Amount payable from the Child Health and Safety Fund (Item 5180-151-0279)..... -924,000
- (5) Amount payable from the State Children’s Trust Fund (Item 5180-151-0803)..... -995,000
- (6) Amount payable from the Federal Trust Fund (Item 5180-151-0890)..... -1,135,979,000
- (7) Amount payable from the Child Welfare Services Program Improvement Fund (Item 5180-151-8023)..... -4,000,000

Provisions:

1. Provision 1 of Item 5180-101-0001 also applies to this item.
2. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code and pursuant to Section 30029.8 of the Government Code, a loan not to exceed \$50,000,000 shall be made available from the General Fund, from funds not otherwise appropriated, to cover the federal share or reimbursable share, or both, of costs of a program or programs when the federal funds or reimbursements have not been received by this state prior to the usual time for transmitting state payments for

- the federal or reimbursable share of costs. The loan from the General Fund shall be repaid when the federal or reimbursable share of costs for the program or programs becomes available.
3. The Department of Finance may authorize the establishment of positions and transfer of amounts from this item to Item 5180-001-0001, in order to allow the state to perform the facilities evaluation function of Community Care Licensing in the event the counties fail to perform that function.
  4. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
  5. The Department of Finance may authorize the establishment of positions and transfer of amounts from this item to Item 5180-001-0001 in order to allow the state to perform the adoptions function in the event that a county notifies the State Department of Social Services that it intends to cease performing that function.
  6. Of the amount appropriated in this item, up to \$400,000 is available to counties for semiannual implementation progress reports related to the Katie A. v. Bonta settlement and implementation plan, as described in the department's All County Letter (ACL) No. 13-73 and ACL No. 14-29, and upon approval by the Director of Finance. Prior to approval, the Director of Finance shall consult with the State Department of Health Care Services, the State Department of Social Services, and California State Association of Counties to determine if counties incurred overall cost increases due to the notices outlined in this provision. The Department of Finance shall provide notification of the allocation to the Joint Legislative Budget Committee

within 10 working days from the date of Department of Finance approval.

- 7. The following amounts appropriated in this item shall only be allocated to counties upon approval by the Director of Finance: (a) up to \$68,000 to support increased costs associated with revised county collection and reporting activities for cases of child abuse and neglect that result in near fatalities, as required by the federal Child Abuse Prevention and Treatment Act; and (b) up to \$3,471,000 to support increased costs to counties associated with revised federal requirements for child welfare case reviews. Prior to approval, the Director of Finance shall consult with the State Department of Social Services and the California State Association of Counties to determine if counties incurred overall cost increases. The Department of Finance shall provide written notification of the allocation of funds to the Joint Legislative Budget Committee within 10 working days from the date of approval.
- 8. Funds appropriated in this item for the Commercially Sexually Exploited Children Program required by Chapter 5.2 (commencing with Section 16524.6) of Part 4 of Division 9 of the Welfare and Institutions Code shall continue to be available for expenditure or encumbrance until June 30, 2016.
- 9. Provision 2 of Item 5180-151-0890 also applies to this item.

SEC. 13. Item 5227-101-3259 of Section 2.00 of the Budget Act of 2014 is amended to read:

5227-101-3259—For local assistance, Board of State and Community Corrections..... 28,000,000  
 Provisions:

- 1. Of the funds appropriated in this item, \$670,000 shall be made available to the city in California with the highest rate of murder per capita as reported per 100,000 residents by city police departments with a population of 250,000 residents or greater in the 2012

United States Department of Justice Uniform Crime Report.

- 2. Of the funds appropriated in this item, \$665,000 shall be made available to the city in California with the highest rate of rape per capita as reported per 100,000 residents by city police departments with a population of 250,000 residents or greater in the 2012 United States Department of Justice Uniform Crime Report.
- 3. Of the funds appropriated in this item, \$665,000 shall be made available to the city in California with the highest rate of robbery per capita as reported per 100,000 residents by city police departments with a population of 250,000 residents or greater in the 2012 United States Department of Justice Uniform Crime Report.
- 4. Each city that receives a grant pursuant to Provision 1, 2, or 3 shall collaborate and coordinate with area jurisdictions and agencies, including the existing county juvenile coordination council, with the goal of reducing criminal activity in the city and adjacent areas. Each grantee shall establish a coordinating and advisory council to prioritize the use of the funds. Membership shall include city officials, local law enforcement, local educational agencies, and community-based organizations.

SEC. 14. Item 5227-106-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

5227-106-0001—For local assistance, Board of State and  
 Community Corrections..... 11,286,000  
 Provisions:

- 1. The funds appropriated in this item shall be allocated by the Controller to county probation departments according to a schedule provided by the Department of Finance. The funds allocated to county probation departments are to address the limited-term increase of offenders on Post Release Community Supervision as a result of the Three Judge Panel’s February 10, 2014, order to increase credit earnings for certain offenders.

SEC. 15. Item 6110-111-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-111-0001—For local assistance, Department of Education, for allocation by the Superintendent of Public Instruction to California state preschool providers pursuant to Section 8278.3 of the Education Code..... 10,000,000

Provisions:

- 1. The funds appropriated in this item shall be transferred to the Child Care Facilities Revolving Fund and shall be made available to local education agencies and contracting agencies for the California State Preschool Program facilities pursuant to Section 8278.3 of the Education Code.

SEC. 16. Item 6110-194-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-194-0001—For local assistance, Department of Education, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies for child care and development programs included in this item, in lieu of the amount that otherwise would be appropriated pursuant to any other statute..... 822,235,000

Schedule:

- (1.5) 30.10.020-Child Care Services..... 1,402,291,000
  - (a) 30.10.020.001-Special Program, Child Development, General Child Development Programs..... 543,867,000
  - (c) 30.10.020.004-Special Program, Child Development, Migrant Day Care..... 27,513,000

- (d) 30.10.020.007-Special Program, Child Development, Alternative Payment Program..... 182,296,000
- (e) 30.10.020.011-Special Program, Child Development Alternative Payment Program—Stage 2..... 354,548,000
- (f) 30.10.020.012-Special Program, Child Development Alternative Payment Program—Stage 3..... 219,825,000
- (g) 30.10.020.008-Special Program, Child Development, Resource and Referral..... 18,687,000
- (j) 30.10.020.096-Special Program, Child Development, Allowance for Handicapped..... 1,535,000
- (k) 30.10.020.106-Special Program, Child Development, California Child Care Initiative..... 225,000
- (l) 30.10.020.901-Special Program, Child Development, Quality Improvement..... 46,476,000
- (n) 30.10.020.920-Special Program, Child Development, Local Planning Councils..... 3,319,000

- (o) 30.10.020.014-Special Program, Child Development, Accounts Payable..... 4,000,000
- (3) Amount payable from the Federal Trust Fund (Item 6110-194-0890)..... -580,056,000

Provisions:

1. Funds in Schedules (1.5)(g), Resource and Referral, (1.5)(k), California Child Care Initiative, (1.5)(l), Quality Improvement, and (1.5)(n), Local Planning Councils, shall be allocated to meet federal requirements to improve the quality of child care and shall be used in accordance with the approved California state plan for the federal Child Care and Development Fund that is developed pursuant to the requirements under Section 8206.1 of the Education Code.
2. Nonfederal funds appropriated in this item which have been budgeted to meet the state’s Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
4. Notwithstanding any other provision of law, funds in Schedule (1.5)(o) are available for accounts payable for alternative payment programs for actual and allowable costs incurred for additional services, pursuant to Section 8222.1 of the Education Code. The State Department of Education shall give priority for the allocation of these funds for accounts payable.
5. The amounts provided in Schedules (1.5)(a), (1.5)(c), (1.5)(d), and (1.5)(j) of this item reflect an adjustment to the base funding of 0.49 percent for an increase in the population of 0–4 year-olds.
6. The maximum standard reimbursement rate shall not exceed \$36.10 per day for general child care programs. Furthermore, the migrant child care program shall adhere to the maximum standard reimbursement rates

as prescribed for the general child care programs. All other rates and adjustment factors shall conform.

7. (a) Alternative payment child care programs shall be subject to the rate ceilings established in the Regional Market Rate Survey of California child care and development providers for provider payments. When approved pursuant to Sections 8357 and 8447 of the Education Code, any changes to the market rate limits, adjustment factors, or regions shall be utilized by the State Department of Education, the California Community Colleges, and the State Department of Social Services in various programs under the jurisdiction of these departments.
- (b) Starting July 1, 2014, through December 31, 2014, the funds appropriated in this item for the cost of licensed child care services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse child care costs up to the 85th percentile of the rates charged by providers offering the same type of child care for the same age child in that region, based on the 2005 Regional Market Rate Survey data. Starting January 1, 2015, the funds appropriated in this item for the cost of licensed child care services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse child care costs up to the deflated 85th percentile of the rates charged by providers offering the same type of child care for the same age child in that region, based on the 2009 Regional Market Rate Survey data. The 85th percentile of rates based on the

2009 Regional Market Rate Survey shall be reduced by 10.11 percent, pursuant to Sections 8357 and 8447 of the Education Code. If the reduced rate schedule reimbursement amount for a particular county rate is less than the reimbursement amount provided for the same rate prior to January 1, 2015, then the State Department of Education shall use the rate schedule from the 2005 Regional Market Rate Survey for that particular reimbursement amount.

- (c) The funds appropriated in this item for the cost of license-exempt child care services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse license-exempt child care costs up to 60 percent of the regional reimbursement rate limits established for family child care homes.
8. (a) The State Department of Education (SDE) shall conduct monthly analyses of CalWORKs Stage 2 and Stage 3 caseloads and expenditures and adjust agency contract maximum reimbursement amounts and allocations as necessary to ensure funds are distributed proportionally to need. The SDE shall share monthly caseload analyses with the State Department of Social Services (DSS).
- (b) The SDE shall provide quarterly information regarding the sufficiency of funding for Stage 2 and Stage 3 to DSS. The SDE shall provide caseloads, expenditures, allocations, unit costs, family fees, and other key variables and assumptions used in determining the sufficiency of state allocations. Detailed backup by month and on a county-by-county basis shall be provided to the DSS at least on a quarterly basis for comparisons with Stage 1 trends.

- (c) By September 30 and March 30 of each year, the SDE shall ensure that detailed caseload and expenditure data, through the most recent period for Stage 2 and Stage 3 along with all relevant assumptions, is provided to DSS to facilitate budget development. The detailed data provided shall include actual and projected monthly caseload from Stage 2 scheduled to time off of their transitional child care benefit from the last actual month reported by agencies through the next two fiscal years as well as local attrition experience. DSS shall utilize data provided by the SDE, including key variables from the prior fiscal year and the first two months of the current fiscal year, to provide coordinated estimates in November of each year for each of the three stages of care for preparation of the Governor's Budget, and shall utilize data from at least the first two quarters of the current fiscal year, and any additional monthly data as they become available for preparation of the May Revision. The DSS shall share its assumptions and methodology with the SDE in the preparation of the Governor's Budget.
- (d) The SDE shall coordinate with the DSS to identify annual general subsidized child care program expenditures for Temporary Assistance for Needy Families-eligible children. The SDE shall modify existing reporting forms as necessary to capture this data.
- (e) The SDE shall provide to the DSS, upon request, access to the information and data elements necessary to comply with federal reporting requirements and any other information deemed necessary to improve estimation of child care budgeting needs.
- (f) On or before January 30, 2015, following consultation with the DSS, the SDE shall determine the adequacy of funding appropriated by the Legislature for CalWORKs Stage 2 and Stage 3. If the SDE determines that the Stage 2 appropriation

exceeds the current year caseload needs and the Stage 3 appropriation is not sufficient to fully fund its caseload need, then the SDE shall submit a request to the Department of Finance to transfer the excess funds from Schedule (1.5)(e), CalWORKs Stage 2 child care to Schedule (1.5)(f), CalWORKs Stage 3 child care. Notwithstanding Section 26.00 or any other provision of law, the Department of Finance may, at its discretion, approve such a transfer.

- (g) Notwithstanding any other provision of law or any other sections of this act, the Department of Finance may augment the appropriation for CalWORKs Stage 3 if the estimate of expenditures, as determined by the SDE, following consultation with the DSS, will exceed the expenditures authorized in Schedule (1.5)(f). The Department of Finance shall report any augmentation pursuant to this paragraph to the Joint Legislative Budget Committee. At the time the report is made, the amount of the appropriation made in Schedule (1.5)(f) shall be increased by the amount of the augmentation.
  - (h) The Director of Finance may, pursuant to Provisions 8(f) and 8(g), authorize the augmentation of the amount available for expenditure in Schedule (1.5)(f) by making a transfer from Schedule (1.5)(e). An augmentation may be authorized not sooner than 30 days after notification in writing of the necessity to exceed the limitations is provided to the Joint Legislative Budget Committee, or whatever lesser time the chairperson of the joint committee may determine. Any request made by the SDE to augment the CalWORKs Stage 3 appropriation shall be approved only in order to cover increases in costs that are consistent with assumptions of this act. This provision shall not be construed to treat Stage 3 as an entitlement.
9. Notwithstanding any other provision of law, the funds in Schedule (1.5)(f) are reserved exclusively for con-

tinuing child care for the following: (a) former CalWORKs families who are working, have left cash aid, and have exhausted their two-year eligibility for transitional services in either Stage 1 or Stage 2 pursuant to subdivision (c) of Section 8351 or Section 8353 of the Education Code, respectively, but still meet eligibility requirements for receipt of subsidized child care services, and (b) families who received lump-sum diversion payments or diversion services under Section 11266.5 of the Welfare and Institutions Code and have spent two years in Stage 2 off of cash aid, but still meet eligibility requirements for receipt of subsidized child care services.

10. Notwithstanding any other provision of law, each local planning council receiving funds appropriated in Schedule (1.5)(n) shall meet the requirements of Section 8499.5 of the Education Code to the extent feasible and to the extent data is readily accessible.
11. Notwithstanding any other provision of law, the implementation of Provision 13 is not subject to the appeal and resolution procedures for agencies that contract with the State Department of Education for the provision of child care services or the due process requirements afforded to families that are denied services specified in Chapter 19 (commencing with Section 18000) of Division 1 of Title 5 of the California Code of Regulations.
12. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Education may implement Provision 13 through management bulletins or similar instructions.
13. Notwithstanding any other provision of law, families shall be disenrolled from subsidized child care services consistent with the priorities for services specified in subdivision (b) of Section 8263 of the Education Code. Families shall be disenrolled in the following order: (a) families with the highest income below 70 percent of the State Median Income (SMI) adjusted for family

size, (b) of families with the same income level, those that have been receiving child care services for the longest period of time, (c) of families with the same income level, those that have a child with exceptional needs, and (d) families with children who are receiving child protective services or are at risk of being neglected or abused, regardless of family income.

- 14. Of the amount provided in Schedule (1.5)(a), \$2,000,000 is available to provide 4,000 slots for wraparound care for part-day state preschool, beginning June 15, 2015.

SEC. 17. Item 6110-195-0890 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-195-0890—For local assistance, Department of Education, Program 20.60-Instructional Support, Part A of Title II of the federal Elementary and Secondary Education Act (20 U.S.C. Sec. 6621 et seq.; Teacher and Principal Training and Recruiting Fund), payable from the Federal Trust Fund..... 251,715,000

Schedule:

- (1) 20.60.280-Improving Teacher Quality  
Local Grants..... 240,206,000
- (2) 20.60.190.300-California Subject Matter  
Projects..... 3,791,000
- (3) 20.60.300-Improving Teacher Quality  
Higher Education Grants..... 6,618,000
- (4) 20.60.301-Improving Teacher Quality  
State-Level Activities..... 500,000
- (5) 20.60.302-Improving Teacher Quality  
State-Local Activities (Administrator  
Induction)..... 600,000

Provisions:

- 1. The funds appropriated in Schedule (2) shall be transferred to the University of California, which shall use the funds for the Subject Matter Projects pursuant to Article 1 (commencing with Section 99200) of Chapter 5 of Part 65 of Division 14 of Title 3 of the Education Code.

2. The funds appropriated in Schedule (3) shall be for local assistance activities for the Improving Teacher Quality Higher Education grants, funded through the federal No Child Left Behind Act of 2001 (P.L. 107-110).
3. The funds appropriated in Schedule (4) shall be reserved for the professional development of private school teachers and administrators as required by Title II of the federal Elementary and Secondary Education Act (20 U.S.C. Sec. 6601 et seq.).
4. Of the funds appropriated in Schedule (2), \$118,000 is provided in one-time carryover for transfer to the University of California and shall be used for the Subject Matter Projects. None of these funds shall be used for additional indirect administrative costs.
5. Of the funds appropriated in Schedule (2), \$106,000 is provided in one-time carryover for transfer to the University of California and shall be used for the Subject Matter Projects. None of these funds shall be used for additional indirect administrative costs.
6. Of the funds appropriated in Schedule (3), \$271,000 is provided in one-time carryover for the Improving Teacher Quality Higher Education Grants. None of these funds shall be used for additional indirect administrative costs.
7. Of the funds appropriated in Schedule (5), \$600,000 is provided in one-time carryover funds for transfer to the Commission on Teacher Credentialing for purposes of Administrator Induction Programs that are approved by the Commission on Teacher Credentialing. None of these funds shall be used by the Department of Education for indirect administrative costs.

SEC. 18. Item 6110-196-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-196-0001—For local assistance, Department of Education (Proposition 98), for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies for the purposes of part-day state preschool programs pursuant to Article 7 (commencing with Section 8235) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code funded in this item, in lieu of the amount that otherwise would be appropriated pursuant to any other statute..... 654,450,000

Schedule:

- (1) 30.10.010-Special Program, Child Development, Preschool Education..... 579,450,000
- (1.1) 30.10.011-Special Program, Child Development, Quality Rating Improvement System Grants..... 50,000,000
- (1.2) 30.10.012-Special Program, Child Development, Preschool Quality..... 25,000,000

Provisions:

- 2. Nonfederal funds appropriated in this item which have been budgeted to meet the state’s Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
- 3. The amount provided in Schedule (1) reflects an adjustment to the base funding of 0.49 percent for an increase in the population of 0–4 year-olds.
- 4. The maximum standard reimbursement rate shall not exceed \$22.28 per day for state preschool programs.
- 5. Of the amount appropriated in Schedule (1), up to \$5,000,000 is available for the family literacy supplemental grant provided to California state preschool programs pursuant to Section 8238.4 of the Education Code.
- 6. The amount provided in Schedule (1.1) is available for Quality Rating and Improvement System grants

provided to state preschool programs pursuant to Section 8203.1 of the Education Code.

7. The amount provided in Schedule (1.2) is available for professional development and stipends for teacher education for transitional kindergarten and state preschool teachers. Priority for teacher education stipends is for transitional kindergarten teachers. Notwithstanding any other provision of law, the funds appropriated in this schedule shall be available for encumbrance until June 30, 2017.
8. Of the amount provided in schedule (1), \$1,000,000 is available to provide 4,000 slots for part-day state preschool, beginning June 15, 2015.

SEC. 19. Item 6110-488 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-488—Reappropriation, Department of Education. Notwithstanding any other provision of law, the balances from the following items are available for reappropriation for the purposes specified in Provisions 1 to 6:

0001—General Fund

- (1) \$1,853,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Charter School Facility Grant Program in Item 6110-220-0001 pursuant to Section 5 of Chapter 3 of the 2009–10 Fourth Extraordinary Session, as amended by Chapter 31 of the 2009–10 Third Extraordinary Session.
- (2) \$283,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Assessment Review and Reporting in Schedule (1) of Item 6110-113-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (3) \$208,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Educational Services for Foster Youth in Item 6110-119-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).

- (4) \$20,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Economic Impact Aid in Item 6110-128-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (5) \$12,524,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Special Education Programs for Exceptional Children in Schedule (1) of Item 6110-161-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (6) \$1,396,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for California Partnership Academies in Schedule (1) of Item 6110-166-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (7) \$31,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Agricultural Career Technical Education Incentive Program in Item 6110-167-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (8) \$1,072,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for child nutrition programs in Schedule (1) of Item 6110-203-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (9) \$3,161,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Quality Education Investment Act of 2006 in the 2011–12 fiscal year pursuant to Section 52055.770 of the Education Code.
- (10) \$12,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Home to School Transportation in Schedule (1) of Item 6110-111-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (11) \$799,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Statewide Testing and Reporting Program in Schedule (2) of Item 6110-113-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).

- (12) \$243,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the English Language Development Assessment in Schedule (3) of Item 6110-113-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (13) \$3,250,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Special Education Programs for Exceptional Children in Schedule (1) of Item 6110-161-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (13.5) \$31,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Child Nutrition School Breakfast and Summer Food Service Program in Item 6110-201-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (14) \$6,600,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for child nutrition programs in Schedule (1) of Item 6110-203-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (15) \$213,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California High School Exit Examination assistance program in Item 6110-204-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (16) \$4,000,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Instructional Support: Economic Impact Aid for Charter Schools in Schedule (2) of Item 6110-211-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (17) \$2,673,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Categorical Programs for New Schools in Item 6110-212-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (18) \$36,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Arts and Music Block Grant in Item 6110-265-0001

- of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (19) \$22,895,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Program 98-K-12 Mandated Programs Block Grant in Item 6110-296-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
  - (20) \$1,090,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Supplemental Instruction, Remedial, Grades 7-12 for the purposes of Section 37252 of the Education Code in Schedule (1) of Item 6110-104-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011), as amended by Section 50 of Chapter 7 of the Statutes of 2011.
  - (21) \$84,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Supplemental Instruction, Retained, or Recommended for Retention, Grades 2-9, for the purposes of Section 37252.2 of the Education Code in Schedule (2) of Item 6110-104-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011), as amended by Section 50 of Chapter 7 of the Statutes of 2011.
  - (22) \$15,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Supplemental Instruction, Low STAR, Grades 2-6, for the purposes of Section 37252.8 of the Education Code in Schedule (3) of Item 6110-104-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011), as amended by Section 50 of Chapter 7 of the Statutes of 2011.
  - (23) \$64,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Supplemental Instruction, Core Academic K-12 for the purposes of Section 37253 of the Education Code in Schedule (4) of Item 6110-104-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011), as amended by Section 50 of Chapter 7 of the Statutes of 2011.
  - (24) \$9,169,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Preschool Education and Child Care Services in

- Schedule (1) of Item 6110-196-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (25) \$12,011,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the After School Education and Safety Program in the 2011–12 fiscal year pursuant to Section 8384.5 of the Education Code.
  - (26) \$9,531,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the After School Education and Safety Program in the 2012–13 fiscal year pursuant to Section 8384.5 of the Education Code.
  - (27) \$100,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Golden State Merit Diploma in Item 6110-679-0001 pursuant to Section 47 of Chapter 204 of the Statutes of 1996.
  - (28) \$45,757,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Quality Education Investment Act of 2006 in the 2012–13 fiscal year pursuant to Section 52055.780 of the Education Code.
  - (29) \$328,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Home to School Transportation, Small School District Bus Replacement in Schedule (2) of Item 6110-111-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
  - (30) \$1,893,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Adults in Correctional Facilities in Item 6110-158-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
  - (31) \$100,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Early Education Program for Individuals with Exceptional Needs in Schedule (2) of Item 6110-161-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
  - (32) \$217,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for “Clean” Technology Partnership Academies in

- Schedule (2.5) of Item 6110-166-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (33) \$48,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Categorical Programs for New Schools in Item 6110-212-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
  - (34) \$36,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Educational Services for Foster Youth in Item 6110-119-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
  - (35) \$13,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Assessment Review and Reporting in Schedule (1) of Item 6110-113-0001 of the Budget Act of 2013 (Chs. 20 and 354, Stats. 2013).
  - (36) \$722,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Special Education Programs for Exceptional Children in Schedule (1) of Item 6110-161-0001 of the Budget Act of 2013 (Chs. 20 and 354, Stats. 2013).
  - (37) \$1,148,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Supplemental Instruction, Remedial, Grades 7–12 for the purposes of Section 37252 of the Education Code in Schedule (1) of Item 6110-104-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended by Section 92 of Chapter 38 of the Statutes of 2012.
  - (38) \$95,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Supplemental Instruction, Retained, or Recommended for Retention, Grades 2–9, for the purposes of Section 37252.2 of the Education Code in Schedule (2) of Item 6110-104-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended by Section 92 of Chapter 38 of the Statutes of 2012.
  - (39) \$18,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for

- Supplemental Instruction, Low STAR, Grades 2–6, for the purposes of Section 37252.8 of the Education Code in Schedule (3) of Item 6110-104-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended by Section 92 of Chapter 38 of the Statutes of 2012.
- (40) \$73,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Supplemental Instruction, Core Academic K–12, for the purposes of Section 37253 of the Education Code in Schedule (4) of Item 6110-104-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended by Section 92 of Chapter 38 of the Statutes of 2012.
- (41) \$6,600,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Child Development, Preschool Education in Schedule (1) of Item 6110-196-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (42) \$974,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the After School Education and Safety Program in the 2013–14 fiscal year pursuant to Section 8483.5 of the Education Code.
- (43) \$38,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for child nutrition programs in Item 6110-201-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (44) \$8,991,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for special education in Schedule (3) of Item 6110-485 of the Budget Act of 2011 (Ch. 33, Stats. 2011), as amended by Section 7 of Chapter 575 of the Statutes of 2012.
- (45) \$3,000,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Adults in Correctional Facilities in Item 6110-158-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- (46) \$184,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for

- adult education in Schedule (1) of Item 6110-156-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011), as amended by Section 50 of Chapter 7 of the Statutes of 2011.
- (47) \$41,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Specialized Secondary Programs in Item 6110-122-0001 of the Budget Act of 2013 (Chs. 20 and 354, Stats. 2013).
  - (48) \$10,225,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for K–12 Mandated Programs Block Grant in Item 6110-296-0001 of the Budget Act of 2013 (Chs. 20 and 354, Stats. 2013).
  - (49) \$82,656,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Quality Education Investment Act of 2006 in the 2013–14 fiscal year pursuant to Section 52055.780 of the Education Code.
  - (50) \$73,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for adult education in Schedule (1) of Item 6110-156-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended by Section 92 of Chapter 38 of the Statutes of 2012.

Provisions:

1. The sum of \$5,546,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to support California School Information Services activities authorized pursuant to Schedule (1) of Item 6110-140-0001.
2. The sum of \$827,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to local educational agencies for activities authorized pursuant to Schedule (2) of Item 6110-140-0001.

3. The sum of \$15,096,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for apportionment to reimburse the 2013–14 Adults in Correctional Facilities Program activities authorized pursuant to Item 6110-158-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012). Of the amount appropriated in this provision, \$129,000 is to reflect a cost-of-living adjustment.
4. The sum of \$82,195,000 to the School Facilities Program for the purpose of funding the School Facilities Emergency Repair Account pursuant to Chapter 899 of the Statutes of 2004.
7. The sum of \$113,351,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and charter schools in proportion to their average daily attendance reported as of the second principal apportionment for the 2013–14 fiscal year, for the purposes specified in subdivisions (c) and (d) of Section 17581.8 of the Government Code, and in augmentation of the funds provided in subdivision (a) of Section 17581.8 of the Government Code.
8. The sum of \$12,890,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for apportionment for special education programs pursuant to Part 30 (commencing with Section 56000) of Division 4 of Title 2 of the Education Code.
9. The sum of \$26,689,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to the K-12 High-Speed Network for the activities authorized pursuant to provisional language in Item 6110-182-0001.

SEC. 20. Item 6440-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6440-001-0001—For support of University of California..... 2,985,671,000

Schedule:

(1) Support..... 2,985,671,000

Provisions:

1. This appropriation is exempt from Sections 6.00 and 31.00.

2. (a) The Regents of the University of California shall approve a plan that includes at least all of the following:

(1) Projections of available resources in the 2015–16, 2016–17, and 2017–18 fiscal years.

In projecting General Fund appropriations and student tuition and fee revenues, the university shall use any assumptions provided by the Department of Finance. The Department of Finance shall provide any assumptions no later than August 1, 2014.

(2) Projections of expenditures in the 2015–16, 2016–17, and 2017–18 fiscal years and descriptions of any changes to current operations necessary to ensure that expenditures in each of those years are not greater than the available resources projected for each of those years pursuant to paragraph (1).

(3) Projections of resident and non-resident enrollment in the 2015–16, 2016–17, and 2017–18 academic years, assuming implementation of any changes described in paragraph (2).

(4) The university’s goals for each of the performance measures listed in subdivision (b) of Section 92675 of the Education Code for the 2015–16, 2016–17, and 2017–18 academic years, assuming implementation of any changes described in paragraph (2). It is the intent of the Legislature that these goals be

challenging and quantifiable, address achievement gaps for underrepresented populations, and align the educational attainment of California's adult population to the workforce and economic needs of the state, pursuant to the legislative intent expressed in Section 66010.93 of the Education Code.

- (b) The plan approved pursuant to subdivision (a) shall be submitted, no later than November 30, 2014, to the Director of Finance, the chairpersons of the committees in each house of the Legislature that consider the State Budget, the chairpersons of the budget subcommittees in each house of the Legislature that consider the budget for the University of California, the chairpersons of the committees in each house of the Legislature that consider appropriations, and the chairpersons of the policy committees in each house of the Legislature with jurisdiction over bills relating to the university. The plan shall adhere to the goals included in Section 66010.91 of the Education Code.
- 2.5. Of the funds appropriated in this item:
- (a) \$4,000,000 shall be used for the centers for labor research and education at the Berkeley and Los Angeles campuses. Of this amount, \$2,000,000 is one-time funding.
  - (b) \$2,000,000 is one-time funding and shall be used for the California Blueprint for Research to Advance Innovations in Neuroscience Act of 2014.
  - (c) \$770,000 shall be used for the Statewide Database.
3. (a) The University of California shall allocate from this appropriation the amount necessary to pay in full the fees anticipated to become due and payable during the fiscal year associated with lease-revenue bonds issued by the State Public Works Board on its behalf that have been defeased and the amount of general obligation bond debt service attributable to the university.

- (b) The Controller shall transfer funds from this appropriation upon receipt of the following reports:
  - (1) The State Public Works Board shall report to the Controller the fees anticipated to become due and payable in the fiscal year associated with lease-revenue bonds that were issued on behalf of the university that have been defeased.
  - (2) The Department of Finance shall report to the Controller the amount of general obligation bond debt service anticipated to become due and payable in the fiscal year attributable to the university.
  - (3) The State Public Works Board or the Department of Finance shall submit a revised report if either entity determines that an amount previously reported to the Controller is inaccurate based on revised estimates or actual amounts. If necessary pursuant to any revised reports, the Controller shall return funds to this appropriation. Any returned funds that were previously transferred pursuant to this subdivision shall be available for expenditure until June 30, 2016.
- 4. Payments made by the state to the University of California for each month from July through April shall not exceed one-twelfth of the amount appropriated in this item, less the amount that is allocated pursuant to subdivision (a) of Provision 3. Transfers of funds pursuant to subdivision (b) of Provision 3 shall not be considered payments made by the state to the university.
- 5. The funds appropriated in this item shall not be available to support auxiliary enterprises or intercollegiate athletic programs.
- 6. Of the funds appropriated in this item, \$50,000,000 is available for one-time purposes, including deferred maintenance. The amount allocated pursuant to this provision shall be available for encumbrance or expenditure until June 30, 2016. It is the intent of the Legis-

lature that, if the economy continues to recover and General Fund revenues exceed projections, the augmentation provided in this provision shall become ongoing beginning in the 2015–16 fiscal year for the purpose of increasing enrollment of California students and improving student services.

SEC. 21. Item 6610-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6610-001-0001—For support of California State University.... 2,742,273,000

Schedule:

(1) Support..... 2,742,273,000

Provisions:

1. This appropriation is exempt from Sections 6.00 and 31.00 but is subject to the applicable sections of the Government Code referred to in subdivision (a) of Section 31.00.
2. (a) The Trustees of the California State University shall approve a plan that includes at least all of the following:
  - (1) Projections of available resources in the 2015–16, 2016–17, and 2017–18 fiscal years. In projecting General Fund appropriations and student tuition and fee revenues, the university shall use any assumptions provided by the Department of Finance. The Department of Finance shall provide any assumptions no later than August 1, 2014.
  - (2) Projections of expenditures in the 2015–16, 2016–17, and 2017–18 fiscal years and descriptions of any changes to current operations necessary to ensure that expenditures in each of those years are not greater than the available resources projected for each of those years pursuant to paragraph (1).
  - (3) Projections of resident and non-resident enrollment in the 2015–16, 2016–17, and 2017–18 academic years, assuming implemen-

- tation of any changes described in paragraph (2).
- (4) The university's goals for each of the performance measures listed in subdivision (b) of Section 89295 of the Education Code for the 2015–16, 2016–17, and the 2017–18 academic years, assuming implementation of any changes described in paragraph (2). It is the intent of the Legislature that these goals be challenging and quantifiable, address achievement gaps for underrepresented populations, and align the educational attainment of California's adult population to the workforce and economic needs of the state, pursuant to the legislative intent expressed in Section 66010.93 of the Education Code.
  - (b) The plan approved pursuant to subdivision (a) shall be submitted, no later than November 30, 2014, to the Director of Finance, the chairpersons of the committees in each house of the Legislature that consider the State Budget, the chairpersons of the budget subcommittees in each house of the Legislature that consider the budget for the California State University, the chairpersons of the committees in each house of the Legislature that consider appropriations, and the chairpersons of the policy committees in each house of the Legislature with jurisdiction over bills relating to the university. The plan shall adhere to the goals included in Section 66010.91 of the Education Code.
3. (a) The California State University shall allocate from this appropriation the amount necessary to pay in full all amounts anticipated to become due and payable during the fiscal year for rental, fees, and insurance associated with lease-revenue bonds issued by the State Public Works Board on its behalf and general obligation bond debt service attributable to the University.

- (b) The Controller shall transfer funds from this appropriation upon receipt of the following reports:
  - (1) The State Public Works Board shall report to the Controller the rental, fees, and insurance anticipated to become due and payable in the fiscal year associated with its lease-revenue bonds issued on behalf of the University.
  - (2) The Department of Finance shall report to the Controller the amount of general obligation bond debt service anticipated to become due and payable in the fiscal year attributable to the University.
  - (3) The State Public Works Board or the Department of Finance shall submit a revised report if either entity determines that an amount previously reported to the Controller is inaccurate based on revised estimates or actual amounts. If necessary pursuant to any revised reports, the Controller shall return funds to this appropriation. Any returned funds that were previously transferred pursuant to this subdivision shall be available for expenditure until June 30, 2016.
- 4. Payments made by the state to the California State University for each month from July through April shall not exceed one-twelfth of the amount appropriated in this item, less the amount that is allocated pursuant to subdivision (a) of Provision 3. Transfers of funds pursuant to subdivision (b) of Provision 3 shall not be considered payments made by the state to the University.
- 5. Contributions to the Public Employees' Retirement Fund are charged to this appropriation pursuant to Section 20822 of the Government Code.
- 6. The Director of Finance has the authority to adjust this appropriation pursuant to Section 3.60, as well as Section 89762 of the Education Code.
- 7. Of the funds appropriated in this item, \$50,000,000 is available for one-time purposes, including deferred

maintenance. The amount allocated pursuant to this provision shall be available for encumbrance or expenditure until June 30, 2016. It is the intent of the Legislature that, if the economy continues to recover and General Fund revenues exceed projections, the augmentation provided in this provision shall become ongoing beginning in the 2015–16 fiscal year for the purpose of increasing enrollment of California students and improving student services.

SEC. 22. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98).....	3,130,232,000
Schedule:	
(1) 10.10.010-Appportionments.....	2,059,128,000
(3) 10.10.020-Apprenticeship.....	7,174,000
(3.5) 10.10.021-Apprenticeship Training and Instruction.....	15,694,000
(4) 10.10.030-Growth for Appportionments.....	140,385,000
(5) 20.10.004-Student Success for Basic Skills Students.....	20,037,000
(6) 20.10.005-Student Financial Aid Administration.....	69,421,000
(7) 20.10.020-Disabled Students.....	114,223,000
(8) 20.10.045-Special Services for CalWORKs Recipients.....	34,545,000
(9) 20.10.060-Foster Care Education Program.....	5,254,000
(10) 20.10.070-Matriculation.....	271,683,000
(11) 20.20.020-Academic Senate for the Community Colleges.....	468,000
(12) 20.20.041-Equal Employment Opportunity pursuant to Chapter 1169, Statutes 2002.....	767,000
(13) 20.20.050-Part-time Faculty Health Insurance.....	490,000

(14) 20.20.051-Part-time Faculty Compensation.....	24,907,000
(15) 20.20.055-Part-time Faculty Office Hours.....	3,514,000
(16) 20.30.011-Telecommunications and Technology Services.....	21,790,000
(17) 20.30.050-Economic Development.....	72,929,000
(18) 20.30.070-Transfer Education and Articulation.....	698,000
(19) 20.40.026-Physical Plant and Instructional Support.....	148,000,000
(20) 20.10.010-Extended Opportunity Programs and Services and Special Services.....	88,605,000
(21) 20.30.045-Fund for Student Success....	3,792,000
(23) 20.80.010-Campus Child Care Tax Bailout.....	3,350,000
(24) 20.95.010-Nursing Program Support....	13,378,000
(25) 10.10.025-Adult Education.....	0
(26) 10.10.050-Expanding the Delivery of Courses through Technology.....	10,000,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller during the 2014–15 fiscal year to Section B of the State School Fund.
2. The funds appropriated in Schedule (1) for apportionments include \$31,409,000 to encourage district-level accountability efforts pursuant to Section 84754.5 of the Education Code. It is intended that the Office of the Chancellor of the California Community Colleges submit an annual report on district-specific accountability measures by March 31 of each year. This report shall reflect the outcomes from the most recently completed fiscal year for which data is available pursuant to Section 84754.5 of the Education Code.
3. Notwithstanding any other provision of law, apportionment funding for community college districts shall be based on the greater of the current year or prior year level of full-time equivalent students (FTES), consistent with K–12 declining enrollment practices pursuant

to Section 42238.5 of the Education Code. Decreases in FTES shall result in a revenue reduction at the district's average level of apportionment funding per FTES and shall be made in the year following the initial year of decrease in FTES.

4. Of the funds appropriated in Schedule (1), Apportionments:
  - (a) Up to \$100,000 is for a maintenance allowance, pursuant to Section 54200 of Title 5 of the California Code of Regulations.
  - (b) Up to \$500,000 is to reimburse colleges for the costs of federal aid repayments related to assessed fees for fee waiver recipients. This reimbursement only applies to students who completely withdraw from college before the census date pursuant to Section 58508 of Title 5 of the California Code of Regulations.
5. Notwithstanding any other provision of law, the Chancellor of the California Community Colleges shall not reduce district workload obligations for a lack of a funded cost-of-living adjustment.
6. (a) The amount appropriated in Schedule (3) for the Apprenticeship Program shall be available as necessary upon certification by the Chancellor of the California Community Colleges for the purpose of funding community college-related and supplemental instruction pursuant to Section 3074 of the Labor Code, as provided in Article 3 (commencing with Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. No community college district shall use funds available under this provision to offer any new apprenticeship training program or the expansion of any existing program unless the new program or expansion has been approved by the chancellor.
- (b) Notwithstanding Article 3 (commencing with Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code, each 60-minute hour of teaching time devoted to each in-

dentured apprentice enrolled in and attending classes of related and supplemental instruction as provided under Section 3074 of the Labor Code shall be reimbursed at the rate of \$5.04 per hour.

For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.

7. Funds appropriated in Schedule (4), Growth for Apportionments, shall be available first to any districts bringing online newly accredited colleges or educational centers. It is the intent of the Legislature that increases in basic foundation allocations to each college be funded prior to additional growth in full-time equivalent students. The Chancellor of the California Community Colleges shall provide a report by November 1 of each year, to the Department of Finance and the Legislative Analyst, on the number of new centers and colleges added for the current fiscal year and those anticipated to be added for the prospective budget year. This report shall also detail the specific funding adjustments provided for basic foundation allocations to each college and center for the current fiscal year.
8. (a) Notwithstanding any other provision of law, funds appropriated in Schedule (4), Growth for Apportionments, shall only be allocated for growth in full-time equivalent students (FTES), on a district-by-district basis, as determined by the Chancellor of the California Community Colleges. The chancellor shall not include any FTES from concurrent enrollment in physical education, dance, recreation, study skills, and personal development courses and other courses in conflict with existing law for the purpose of calculating a district's three-year overcap adjustment.
- (b) The Board of Governors of the California Community Colleges shall adopt criteria and an allocation formula for the funds appropriated in Schedule (4), Growth for Apportionments, so as to ensure that access to courses in the California Community Colleges' missions related to student

needs for transfer, basic skills and vocational/workforce training are aligned to regional and community needs to the maximum extent possible. When formulating the allocation, the board of governors shall consider, at minimum, the priorities as outlined in Section 84750.5 of the Education Code.

9. The funds appropriated in Schedule (5), Student Success for Basic Skills Students, shall be allocated as follows:
  - (a) \$969,000 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 Office of the Chancellor of the California Community Colleges shall select a district, utilizing a competitive process, to carry out these faculty and staff development activities. All colleges receiving funds pursuant to subdivision (b) shall be provided with the opportunity to participate in the faculty and staff development programs specified in this subdivision. The chancellor shall report on the use of these funds by the selected district to the Legislative Analyst and the Department of Finance not later than September 1 of each year.
  - (b) \$19,068,000 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, with particular emphasis on students transitioning from high school.
  - (c) Funding specified in subdivisions (a) and (b) shall be distributed to eligible applicants pursuant to Chapter 489 of the Statutes of 2007.
  - (d) The Office of the Chancellor of the California Community Colleges shall work jointly with the Department of Finance and the Legislative Analyst to evaluate and refine, as necessary, the annual accountability measures for this program. It is the intent of the Legislature that annual perfor-

mance accountability measures for this program utilize, to the extent possible, data available as part of the accountability system developed pursuant to Section 84754.5 of the Education Code. By September 1, 2010, the chancellor shall submit a report to the Governor and the Legislature on basic skills accountability using system- and college-level data and an annual report each year thereafter by September 1.

10. (a) Of the funds appropriated in Schedule (6) for Student Financial Aid Administration, not less than \$15,363,000 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 (6), not less than \$15,532,000 is available for the Board Financial Assistance Program 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.
- (c) Funding provided to community college districts in subdivisions (a) and (b) is provided to directly offset any mandated costs claimed by community college districts pursuant to Commission on State Mandates Test Claims 99-TC-13 (Enrollment Fee Collection) and 00-TC-15 (Enrollment Fee Waivers).
- (d) (1) Of the amount appropriated in Schedule (6), \$2,800,000 shall be for a contract with a community college district to conduct a statewide media campaign to promote the general message to prospective students as follows: (A) the California Community Colleges (CCC) remain affordable, (B) financial aid tax credits are available to cover enroll-

ment fees and help with books and other costs, and (C) the active encouragement of contact between pupils and local CCC financial aid offices. Any funds used from this source to produce radio, television, or mail campaigns must emphasize the availability of financial aid, the easiest and most reliable method of accessing the aid, a contact telephone number, an Internet Web site address, where applicable, and the physical location of a financial aid office. Any mail campaign must give priority to existing pupils, recent high school graduates, and 12th graders. The outreach and information campaign should target its efforts in high schools, welfare offices, unemployment offices, churches, community centers, and any other location that will most effectively reach low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. The community college district awarded the contract shall consult with the Chancellor of the California Community Colleges and the Student Aid Commission prior to performing any activities to ensure appropriate coordination with any other state efforts in this area and ensure compliance with this provision.

- (2) Of the amount appropriated in Schedule (6), not more than \$34,200,000 shall be for direct contact with potential and current financial aid applicants. Each CCC campus shall receive a minimum allocation of \$50,000. The remainder of the funding shall be allocated to campuses based upon a formula reflecting full-time equivalent students (FTES) weighted by a measure of low-income populations demonstrated by BOG fee waiver program participation within a district. It is the intent of the Legislature, to the extent that

funds are provided in this item, that all campuses provide additional staff resources to increase both financial aid participation and student access to low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. Funds may be used for screening current students for possible financial aid eligibility and offering personal assistance to these students in accessing financial aid, providing individual help in multiple languages for families and students in filling out the necessary paperwork to apply for financial aid, and increasing financial aid staff to process additional financial aid forms.

- (3) Funding provided to community college districts in paragraph (2) is provided to offset any mandated costs claimed by community college districts pursuant to the Commission on State Mandates Test Claims 02-TC-28 (Cal Grants) and 02-TC-21 (Tuition Fee Waivers).
- (4) Funds allocated to a community college district for financial aid personnel, outreach determination of financial need, and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 or 2006–07 fiscal year, whichever is greater.
- (5) It is the intent of the Legislature that the Office of the Chancellor of the California Community Colleges provide the Legislature with a report not later than April 1 of each year on the use of the funds allocated pursuant to paragraphs (1) and (2), including the distribution of the funds, specific uses of the funds, strategies employed to reach low-income and disadvantaged students potentially

eligible for financial aid, and the extent to which districts were successful in increasing the number of students accessing financial aid, particularly the maximum Pell Grant award.

- (6) It is the intent of the Legislature that the chancellor report by May 15 of each year, in the manner and using the factors set forth in paragraph (5) of subdivision (c) of Provision 11 of Item 6870-101-0001 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), on the impact of outreach efforts on student headcount and FTES enrollment for the 2009–10 and 2010–11 academic years.
  - (e) Notwithstanding subdivision (m) of Section 76300 of the Education Code or any other provision of law, the amount of funds appropriated for the purpose of administering fee waivers for the 2014–15 fiscal year shall be determined in this act.
11. (a) The funds appropriated in Schedule (7) for the Disabled Students Program are for assisting districts in funding the excess direct instructional cost of providing special support services or instruction, or both, to disabled students enrolled at community colleges, and for state hospital programs, as mandated by federal law.
- (b) Of the amount appropriated in Schedule (7), no less than \$3,945,000 shall be used to address deficiencies identified by the federal Office for Civil Rights (OCR), as determined by the Office of the Chancellor of the California Community Colleges.
  - (c) Of the amount appropriated in Schedule (7), at least \$943,000 shall be used for support of the High Tech Centers for activities including, but not limited to, training of district employees, staff, and students in the use of specialized computer equipment for the disabled. All High Tech Centers shall meet standards developed by the Office of

the Chancellor of the California Community Colleges. Colleges that receive these augmentations shall not supplant existing resources provided to the centers.

- (d) Notwithstanding any other provision of law, of the funds appropriated in Schedule (7), \$1,000,000 shall be for state hospital adult education programs at the hospitals served by the Coast and Kern Community College Districts since the 1986–87 fiscal year. If adult education services at any of the two hospitals are not supported by the community colleges in any portion of the 2014–15 fiscal year, remaining funds shall, upon order of the Department of Finance, after 30 days' notice to the Chairperson of the Joint Legislative Budget Committee, be transferred to the State Department of Developmental Services (DDS). For any transfer of funds to DDS during the 2014–15 fiscal year, the Proposition 98 base funding levels for community colleges and DDS shall be adjusted accordingly.
  - (e) Of the funds appropriated in Schedule (7) for the Disabled Student Services, no less than \$9,600,000 shall be allocated to support high-cost sign language interpreter services and real-time captioning equipment or other communication accommodations for hearing-impaired students based on a 4-to-1 state-to-local district match.
12. The funds appropriated in Schedule (8), Special Services for CalWORKs Recipients, are for the purpose of assisting welfare recipient students and those in transition off of welfare to achieve long-term self-sufficiency through coordinated student services offered at community colleges, including workstudy, other educational related work experience, job placement services, child care services, and coordination with county welfare offices to determine eligibility and availability of services. All services funded in Schedule (8) shall be for current CalWORKs recipients or prior CalWORKs recipients who are in transition

off of cash assistance for no more than two years. Current cash-assistance recipients may utilize these services until their initial educational objectives are met. Former recipients in transition off of cash assistance may utilize these services for a period of up to two years after leaving cash assistance subject to the conditions of this provision. These funds shall be used to supplement and not supplant existing funds and services provided for CalWORKs recipients attending community colleges. The Chancellor of the California Community Colleges shall develop an equitable method for allocating funds to all districts and colleges based on the relative numbers of CalWORKs recipients in attendance and shall allocate funds for the following purposes:

- (a) Job placement.
- (b) Coordination with county welfare offices and other local agencies, including local workforce investment boards.
- (c) Curriculum development and redesign.
- (d) Child care and workstudy.
- (e) Instruction.
- (f) Postemployment skills training and related skills.
- (g) Campus-based case management, limited to on-campus assistance and services not provided by county case workers that do not supplant other counseling and academic support services funded through existing California Community Colleges categorical programs.

Of the amount appropriated in Schedule (8), \$9,188,000 is for child care and does not require a district match. For the remaining funds, districts shall, as a condition of receipt of these funds, provide a \$1 match for every \$1 provided by the state.

Funds utilized for subsidized child care shall be for children of CalWORKs recipients through campus-based centers or parental choice vouchers at rates and with rules consistent with those applied to related programs operated by the State Department of Education in the 2014–15 fiscal year, including eligibility,

reimbursement rates, and parental contribution schedules. Subsidized campus child care for CalWORKs recipients may be provided during the period they are engaged in qualifying state and federal work activities through attainment of their initial education and training plan and for up to three months thereafter or until the end of the academic year, whichever period of time is greater.

Funds utilized for workstudy shall be used solely for payments to employers that currently participate in campus-based workstudy programs or are providing work experiences that are directly related to and in furtherance of student educational programs and work participation requirements, provided that those payments may not exceed 75 percent of the wage for the workstudy positions, and the employers shall pay at least 25 percent of the wage for the workstudy positions. These funds may be expended only if the total hours of education, employment, and workstudy for the student are sufficient to meet state or federal minimum requirements for qualifying work-related activities.

Funds may be used to provide credit or noncredit classes for CalWORKs students if a district has committed all of its funded full-time equivalent students (FTES) and is unable to offer the additional instructional services to meet the demand for CalWORKs students. This determination shall be based on fall enrollment information. Districts shall submit applications to the office of the chancellor by December 1 of each year. If the chancellor approves the use of funds for direct instructional workload, the Office of the Chancellor shall submit a report to the Department of Finance and the Joint Legislative Budget Committee by February 15 of each year that (a) identifies the enrollment of new CalWORKs students, (b) states whether and why additional classes were needed to accommodate the needs of CalWORKs students, and (c) sets forth an expenditure plan for the balance of funds.

As a condition of receipt of the funds appropriated in Schedule (8), by the fourth week following the end of the semester or quarter term commencing in January 2015, participating community districts and colleges shall submit to the office of the chancellor a report, in the format specified by the chancellor in consultation with the State Department of Social Services, that includes, but is not limited to, the funded components, the number of hours of child care provided, the average monthly enrollment of CalWORKs dependents served in child care, the number of workstudy hours provided, the hourly salaries and type of jobs, the number of students being case managed, the short-term programs available, the student participation rates, and other outcome data. It is intended that, to the extent practicable, reporting from colleges utilize data gathered for federal reporting requirements at the state and local level. Further, it is intended that the office of the chancellor compile the information for annual reports to the Legislature, the Governor, the Legislative Analyst, the Department of Finance, and the State Department of Social Services by February 15 of each year.

First priority for expenditures of any funds appropriated in Schedule (8) shall be in support of current CalWORKs recipients. However, if caseloads are insufficient to fully utilize all of the funding in this schedule in a cost-beneficial way, it is intended that up to \$5,000,000 of the funds subject to local matching requirements may be allocated for providing postemployment services to former CalWORKs recipients who have been off of cash assistance for no longer than two years to assist them in upgrading skills, job retention, and advancement. Allowable services include direct instruction that cannot be funded under available growth funding, child care to support attendance in these classes consistent with this provision, job development and placement services, and career counseling and assessment activities that cannot be funded through other programs. Child care services may only be provided for periods commensurate with

a student's need for postemployment training within the two-year transitional period.

Prior to allocation of funds for postemployment services, the chancellor shall first secure the approval of the Department of Finance for the allocations, complete a cumulative report on the outcomes, activities, and cost-effectiveness of the program no later than February 15 of each year in compliance with the Budget Act of 1998 (Ch. 324, Stats. 1998) and the Budget Act of 1999 (Ch. 50, Stats. 1999) and this act, and shall provide the rationale and justification for the proposed allocation of postemployment services to districts for transitional students.

If a district is unable to fully expend its share of child care funds, it may request that the Office of the Chancellor approve a reallocation to other CalWORKs purposes authorized by this provision, subject to all pertinent limitations and district match required for these purposes under this provision.

Of the funds appropriated in Schedule (8) for the Special Services for CalWORKs Recipients Program, no less than \$4,900,000 is to provide direct workstudy wage reimbursement for students served under this program, and \$613,000 is available for campus job development and placement services.

13. Funds appropriated in Schedule (8) for the Special Services for CalWORKs Recipients Program have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) and may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
14. (a) Funds provided in Schedule (9) for the Foster Care Education Program shall be allocated to provide foster and relative/kinship care education and training. Districts shall ensure that education and training required by Sections 1529.1 and 1529.2 of the Health and Safety Code and Section

- 16003 of the Welfare and Institutions Code receive priority. Districts may use any remaining funds for additional parenting skills training.
- (b) Funds provided in Schedule (9) shall be used for foster parent and relative/kinship care provider education training services consistent with the following criteria:
- (1) The Chancellor of the California Community Colleges shall use these funds exclusively for foster parent and relative/kinship care provider education and training, as specified by the chancellor in consultation with an advisory committee that includes foster parents, representatives of statewide foster parent organizations, parent and relative/kinship care providers, and representatives from the State Department of Social Services.
  - (2) Acceptance of funds under this program shall constitute agreement by the district to comply with such reporting requirements, guidelines, and other conditions for receipt of funding as the chancellor may establish.
  - (3) Each college plan for foster and relative/kinship care education programs shall include the provision of training to facilitate the development of foster family homes, small family homes, and relative/kinship homes to care for no more than six children who have special mental, emotional, developmental, or physical needs.
  - (4) The State Department of Social Services shall facilitate the participation of county welfare departments in the foster and relative/kinship care education program.
15. (a) Funds appropriated in Schedule (10) for the Matriculation Program are for the purpose of student matriculation pursuant to Article 1 (commencing with Section 78210) of Chapter 2 of Part 48 of Division 7 of Title 3 of the Education Code.

- (b) Of the amount appropriated in Schedule (10), \$9,381,000 shall be allocated to community college districts on a one-to-one matching funds basis to provide matriculation services, including, but not limited to, orientation, assessment, and counseling, for students enrolled in designated noncredit classes and programs who may benefit most, as determined by the Chancellor of the California Community Colleges pursuant to Sections 78216 and 78218 of the Education Code.
- (c) Of the funds appropriated in Schedule (10), up to \$14,000,000 may be used by the Chancellor of the California Community Colleges for the purpose of procuring or developing E-Transcript, E-Planning, and common assessment tools. Prior to the expenditure of these funds, the Chancellor of the California Community Colleges shall submit a proposed expenditure plan to the Department of Finance and to the Joint Legislative Budget Committee.
- (d) (1) Notwithstanding any other provision of law, of the amount appropriated in Schedule (10), \$70,000,000 shall be for the purpose of supporting the activities necessary to successfully implement the activities and goals as detailed in the Student Equity Plans, pursuant to Subchapter 4 (commencing with Section 54220) of Chapter 5 of Division 6 of Title 5 of the California Code of Regulations, in coordination with the Student Success and Support Program plans, pursuant to Section 78216 of the Education Code, and the Student Success Scorecard, pursuant to Section 84754.5 of the Education Code.
- (2) The Chancellor of the California Community Colleges shall allocate these funds to districts in a manner that ensures districts with a greater proportion or number of students who are high need, as determined by the Office

of the Chancellor, receive greater resources to provide services to these students.

- (3) As a condition of receipt of these funds, the districts are required to include in their Student Equity Plan how they will coordinate existing student support services in a manner to better serve their high-need student populations. At a minimum, their plan shall demonstrate alignment of services funded through allocations from Schedules (5), (6), (7), (8), (10), (20), and (21).
- (e) (1) Of the amount appropriated in Schedule (10), up to \$2,500,000 may be used by the Chancellor of the California Community Colleges for the purpose of providing technical assistance to districts that demonstrate low performance in any area of operations. It is the intent of the Legislature that technical assistance providers be contracted in a cost-effective manner, that they primarily consist of experts who are current and former employees of the California Community Colleges, and that they provide technical assistance in a manner that is consistent with the vision for the California Community Colleges. Beginning in the 2015–16 fiscal year, the Chancellor of the California Community Colleges shall provide a report of prior year use of these funds, including whether they were used in accordance with the aforementioned legislative intent, to the Department of Finance and the Joint Legislative Budget Committee no later than October 1 of each year.
- (2) Technical assistance initiated by the Chancellor of the California Community Colleges may be provided at no cost to the district. Technical assistance requested by the district shall require at least a \$1 match for every \$2

provided by the state, as determined by the Office of the Chancellor.

16. The funds in Schedule (14) for the Part-time Faculty Compensation Program shall be allocated solely to increase compensation for part-time faculty from the amounts previously authorized. Funds shall be distributed to districts based on the total actual full-time equivalent students served in the previous fiscal year and include a small district factor as determined by the Chancellor of the California Community Colleges. These funds are to be used to assist districts in making part-time faculty salaries more comparable to full-time salaries for similar work, as determined through each district's local collective bargaining process. These funds shall not supplant the amount of resources each district used to compensate part-time faculty or be used to exceed parity of each part-time faculty employed by each district with regular full-time faculty at the same district, as certified by the chancellor. If a district achieves parity, its allocation may be used for any other educational purpose.
17. (a) \$20,651,000 of the funds provided in Schedule (16) for the Telecommunications and Technology Services Program shall be for the purpose of supporting technical and application innovations and for coordination of activities that serve to maximize the utility of the technology investments of the community college system towards improving learning outcomes. Allocations shall be made by the Chancellor of the California Community Colleges, based on criteria and guidelines as developed by the chancellor, on a competitive basis through the RFA/RFP application process for the following purposes:
  - (1) Provision of access to statewide multimedia hosting and delivery services for state colleges and districts.
  - (2) Provision of systemwide Internet, audio bridging, and telephony.

- (3) Technical assistance and planning, cooperative purchase agreements, and faculty and staff development in a manner consistent with paragraph (3) of subdivision (b) of Provision 17 of Item 6870-101-0001 of the Budget Act of 1996 (Ch. 162, Stats. 1996).
- (4) Ongoing support for the California Virtual Campus Distance Education Program.
- (5) Ongoing support for programs designed to use technology in assisting accreditation and the alignment of curricula across K–20 segments in California.
- (6) Support for technology pilots and ongoing technology programs and applications that serve to maximize the utility and economy of scale of the technology investments of the community college system towards improving learning outcomes.
- (7) Support for the Student Friendly Services Program.

In addition, a portion of the funds provided in this subdivision shall be available for allocations to districts. It is the intent of the Legislature that these funds be used by colleges to maintain the technology capabilities specified in subdivision (a) of Provision 21 of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003). These funds shall not supplant existing funds used for those purposes, and colleges shall match maintenance and ongoing costs with other funds as provided by subdivision (a) of Provision 21 of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

- (b) The Office of the Chancellor of the California Community Colleges shall develop the reporting criteria for all programs funded by this item and shall submit that for review along with an annual progress report on program implementation to the Legislative Analyst and the Department of Finance no later than December 1 of each year.

Reporting shall include summaries of allocations and expenditures by program and by district, where applicable.

- (c) Of the funds provided in Schedule (16), \$1,139,000 is for ongoing support and expansion of the California Partnership for Achieving Student Success (Cal-PASS) program. As a condition of receipt of these funds, the grantee shall submit to the office of the chancellor, by October 15 of each year, all of the following: (1) a report that includes the numbers and percentages of institutions and school districts that have signed agreements and the number and percentage that have actively submitted data in the current year and (2) an annual financial audit, as prescribed by the chancellor, that includes an accounting of all funding sources and all uses of funds by funding source. The report and audit also shall be submitted to the Legislative Analyst, the Department of Finance, and the appropriate budget subcommittees of the budget committees of each house of the Legislature. It is the intent of the Legislature that all reporting requirements contained in this subdivision shall be completed using funds provided to the grantee.
18. Of the amount appropriated in Schedule (17) for the Economic and Workforce Development Program, pursuant to Part 52.2 (commencing with Section 88600) of Division 7 of Title 3 of the Education Code, the following shall apply:
- (a) Up to 10 percent may be allocated for state level technical assistance activities in support of the intent of Chapter 361 of the Statutes of 2012, including statewide network leadership, organizational development, coordination, information and support services, or other program purposes. Any augmentation to state level activities funding is subject to approval of the Department of Finance, not sooner than 30 days after the notification in writing to the chairpersons of the fiscal

committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

- (b) All remaining funds shall be allocated for programming that target investment at priority and emergent sectors, including statewide and/or regional centers, hubs, collaborative communities, advisory bodies, and short-term grants. Short-term grants can include industry-driven regional education and training, Responsive Incumbent Worker Training, and Job Development Incentive Training.
- (c) Prior to the expenditure of these funds, the Chancellor of the California Community Colleges shall submit a proposed expenditure plan and the rationale therefor, to the Department of Finance for approval. The expenditure plan shall include the following:
  - (1) A statewide and regional delivery system.
  - (2) A targeting of investments to competitive and emergent sectors important to regional economies as well as use of short-term grants to meet employer-driven training needs.
  - (3) Program support to increase the impact of college career technical education (CTE) programs (including contextualized CTE programs) on regional economies; statewide accountability data collection and performance evaluation; statewide training, development, and coordination; labor market research; and continuous program improvements.
- (d) The following provisions apply to the expenditures of these funds:
  - (1) Funds applied to performance-based training shall be matched by a minimum of \$1 of private business and industry funding for each \$1 of state funds. The Chancellor of the California Community Colleges shall consider the level of involvement and financial com-

- mitments of business and industry in making awards for performance-based training.
- (2) Funds allocated by the Chancellor of the California Community Colleges under this program may not be used by community college districts to supplant existing contract education offerings. The chancellor shall ensure that funds are spent only for expanded services and shall implement accountability reporting for districts receiving these funds to ensure that training, credit, and noncredit programs remain relevant to business needs.
  - (3) Any funds that become available due to savings, discontinuance, or reduction of amounts shall be evaluated against labor market needs and regional economies for reallocation within the economic and workforce development program.
- (e) Fiscal agents of program funds intended to serve statewide or regional functions do not have authority to flex program funds. The Office of the Chancellor may adjust allocations, as necessary, to preclude this action.
- (f) (1) \$50,000,000 of the funds appropriated in Schedule (17) shall be provided on a one-time basis to create greater incentive for California Community Colleges to develop, enhance, retool, and expand quality career technical education offerings that build upon existing community college regional capacity to respond to regional labor market needs. Funds may be used for equipment, curriculum development, professional development, and other related costs necessary to develop, enhance, retool, and expand quality career technical education offerings.
- (2) The Chancellor of the California Community Colleges shall allocate these funds to the community college regions based on a formula that factors in the total number of full-time

equivalent students, including full-time equivalent students in career technical education courses. The Chancellor of the California Community Colleges shall, in consultation with community colleges within each region, designate either the district then serving as the fiscal agent for the regional consortia or an alternative district to serve as the fiscal agent for these funds.

- (3) The funds shall be distributed by the fiscal agent to the California Community College districts within the region for career technical education programs that are developed with industry input, matched by industry resources, and adopted by faculty upon certification by the regional consortia. The courses or programs of study for which the funds are requested shall meet all of the following criteria:
  - (A) Be for occupations and sectors that are demonstrated to be in demand in the regional labor market.
  - (B) Be for occupations for which regional production of employees is insufficient to meet labor market demand.
  - (C) Demonstrate regional alignment of program and curricula.
- (4) Priority for funding shall go to programs that meet all of the criteria listed in paragraph (3) and that meet one or more of the following criteria:
  - (A) Are in priority sectors identified by the region.
  - (B) Are in emerging sectors identified by the region.
  - (C) Are articulated with K–12 or four year institutions.
- (5) Individual colleges and districts shall be responsible for identifying eligible programs and their faculty, implementing courses and

- programs to meet regional capacity needs, participating in regional coordination efforts, articulating with K–12 and four year institutions, and submitting outcome data to the Chancellor of the California Community Colleges.
- (6) The regional consortia shall be responsible for certifying labor market demand with input from regional employers and essential workforce and economic development partners, prioritizing investment of funds according to industry sections and occupations, and ensuring regional coordination.
  - (7) The district designated as the fiscal agent in each region shall be responsible for distributing the funds to each district within its region following certification by the regional consortia that the courses and programs submitted by the districts and colleges for funding meet the criteria listed in this subdivision (f).
  - (8) The Chancellor of the California Community Colleges shall be responsible for administering the distribution of funds to the fiscal agents for each region and monitoring progress toward meeting regional and statewide career technical education needs.
19. (a) The funds appropriated in Schedule (18) for the Transfer Education and Articulation Program are available to support transfer and articulation projects and common course numbering projects.
    - (b) Funding provided to community college districts from Schedule (18) is provided to directly offset any mandated costs claimed by community college districts pursuant to Chapter 737 of the Statutes of 2004.
  20. (a) Any funds appropriated in Schedule (19) are available for the following purposes:
    - (1) Scheduled maintenance and special repairs of facilities. The Chancellor of the California Community Colleges shall allocate funds to

districts on the basis of actual reported full-time equivalent students (FTES), and may establish a minimum allocation per district. As a condition for receiving and expending these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance spending from the 1995–96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district.

- (2) Hazardous substances abatement, cleanup, and repairs.
  - (3) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.) and seismic retrofit projects limited to \$400,000.
- (b) Any funds appropriated in Schedule (19) are available for replacement of instructional equipment and library materials. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses. The chancellor shall allocate funds to districts on the basis of actual reported FTES and may establish a minimum allocation per district. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district.
- (c) Any funds appropriated in Schedule (19) shall be available for one-time use in the 2014–15 fiscal year.
21. Of the funds appropriated in Schedule (20) for Extended Opportunity Programs and Services and Special Services, \$79,273,000 is for Extended Opportunity Programs and Services (EOPS) in accordance with Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education

Code. Funds provided in this item for EOPS shall be available to students on all campuses within the California Community Colleges system, including those students on new campuses or in new districts. In addition, \$9,332,000 is for funding, at all colleges, the Cooperative Agencies Resources for Education (CARE) program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The Board of Governors of the California Community Colleges shall allocate funds on a priority basis to local programs on the basis of need for student services.

22. Of the funds appropriated in Schedule (20) for the Extended Opportunity Programs and Services and Special Services, no less than \$4,972,000 shall be available to support additional textbook assistance grants to community college students as an allowable expenditure consistent with paragraph (10) of subdivision (b) of Section 69648 of the Education Code. In addition, these funds shall not supplant the amount of resources used for textbook grants in the 2001–02 fiscal year.
23. The funds appropriated in Schedule (21) for the Fund for Student Success are for additional targeted student services, to be expended as follows:
  - (a) \$1,183,000 is for the Puente Project to support up to 75 colleges. These funds are available if matched by \$200,000 of private funds and the participating community colleges and University of California campuses maintain their 1995–96 fiscal year support level for the Puente Project. All funding shall be allocated directly to participating districts in accordance with their participation agreement.
  - (b) Up to \$1,515,000 is for the Mathematics, Engineering and Science Achievement (MESA) program. For each \$1 allocated, the recipient district shall provide \$1 in matching funds.
  - (c) No less than \$1,094,000 is for the Middle College High School Program. With the exception of fully

compliant special part-time students at the community colleges pursuant to Sections 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state apportionment. Further, no community college state apportionment shall be made available for physical education classes, noncredit classes, nor other courses specified in Provision 8.

24. Pursuant to Sections 69648.5, 78216, and 84850, and subdivision (b) of Section 87108, of the Education Code, the Board of Governors of the California Community Colleges may allocate funds appropriated in Schedules (7), (10), (12), and (20) by grant or contract, or through the apportionment process, to one or more districts for the purpose of providing program evaluation, accountability, monitoring, or program development services, as appropriate under the applicable statute.
25. The funds appropriated in Schedule (23) for the Campus Child Care Tax Bailout shall be allocated by the Chancellor of the California Community Colleges to community college districts that levied child care permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8329 and 8330 of the Education Code in an amount proportional to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its child care and development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased or decreased by any cost-of-living adjustment granted in subsequent fiscal years. These funds shall be used only for the purpose of community college child care and development programs.
26. With regard to the funds appropriated in Schedule (24), Nursing Program Support, all of the following shall apply:
  - (a) \$8,475,000 shall be used to provide support for nursing program enrollment and equipment needs

- consistent with paragraph (2) of subdivision (a) of Section 2 of Chapter 514 of the Statutes of 2001. Funding for nursing enrollment shall provide a marginal increase in funding in addition to the amount provided for each full-time equivalent student for regular growth in apportionments.
- (b) \$4,903,000 shall be used to provide diagnostic and support services, preentry coursework, alternative program delivery model development, and other services to reduce the incidence of student attrition in nursing programs.
  - (c) Funds shall be allocated according to the following criteria:
    - (1) The degree to which the funds provided would be used to increase student enrollment in nursing programs beyond the level of full-time equivalent students served in the 2011–12 academic year.
    - (2) The district’s level of attrition from nursing programs and the suitability of planned expenditures to address attrition levels.
    - (3) The degree to which funds provided would be used to support infrastructure or equipment needs with the intent of building capacity and increasing the number of nursing students served.
    - (4) For districts with attrition rates of 15 percent or more, new funding shall focus on attrition reduction. For districts with attrition rates below 15 percent, new funding shall focus on enrollment expansion.
  - (d) On or before March 1 of each year, the Chancellor of the California Community Colleges shall provide the Legislature and the Department of Finance with a report on the allocation of funding. For each district receiving funding under this item, the report shall include all of the following: (1) the amount of funding received, (2) the number of nursing full-time equivalent students served in the 2006–07 academic year, and the additional

number of nursing full-time equivalent students served with funding provided in this item in each subsequent year, (3) the district's attrition and completion rates in the 2006–07 academic year and subsequent years, (4) any equipment or infrastructure-related items acquired with the funds appropriated in this item, and (5) the number of new and existing faculty receiving annual stipend awards.

27. Notwithstanding any other provision of law, the Chancellor of the California Community Colleges shall allocate categorical funds as specified in legislation enacted in 2009 and as amended in 2010. Pursuant to the conditions specified in that legislation, districts may utilize funds allocated from Schedules (11), (12), (13), (14), (15), (17), (18), and (23) as further specified in that legislation. Notwithstanding this provision and subdivision (b) of Section 84043 of the Education Code, the chancellor may adjust allocations, as necessary, for funding provided pursuant to Schedules (11), (17), and (18) in support of statewide or regional functions.
28. Funding provided to community college districts in Schedule (1) is provided to directly offset any mandated costs claimed by community college districts for the Minimum Conditions for State Aid (02-TC-25 and 02-TC-31) mandated program as determined by the Commission on State Mandates.
29. (a) The amount appropriated in Schedule (3.5) for the Apprenticeship Training and Instruction shall be available as necessary upon certification by the Chancellor of the California Community Colleges for the purpose of funding local educational agency related and supplemental instruction pursuant to Section 3074 of the Labor Code, as provided in Article 8 (commencing with Section 8150) of Chapter 1 of Part 6 of Division 1 of Title 1 of the Education Code. A local educational agency shall not use funds available under this provision to offer any new apprenticeship training

program or the expansion of any existing program unless the new program or expansion has been approved by the Division of Apprenticeship Standards.

- (b) Notwithstanding Article 8 (commencing with Section 8150) of Chapter 1 of Part 6 of Division 1 of Title 1 of the Education Code, each hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction, as provided pursuant to Section 3074 of the Labor Code, shall be reimbursed at the rate of \$5.04 per hour. For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.
30. (a) The amount appropriated in Schedule (26) for Expanding the Delivery of Courses through Technology shall be allocated to the Chancellor of the California Community Colleges and used to increase the number of courses available to matriculated undergraduates, and, to the extent possible, high school students seeking college credits, through the use of technology and to provide alternative methods for students to earn college credit. For online-only courses, the chancellor shall ensure, to the extent possible, that the courses selected for this purpose can be articulated across all community college districts and shall additionally ensure that students enrolling and successfully completing these courses are granted degree-applicable cross-campus transfer credit. The chancellor shall also ensure that these online-only courses are made available to students systemwide, regardless of the campus where they are enrolled. The Legislature's intent is to maximize the development of online courses available across campuses to alleviate shortages of certain core courses at certain campuses.
- (b) These funds shall be used for those courses that have the highest demand, fill quickly, and are

prerequisites for many different degrees. By March 1, 2015, the chancellor shall submit a report to the Department of Finance and the Joint Legislative Budget Committee detailing the use of these funds and any outcomes that may be attributed to their use. The report shall include the proposed use of these funds in the 2015–16 fiscal year.

- 31. The Chancellor of the California Community Colleges shall report annually to both the Department of Finance and the Joint Legislative Budget Committee, no later than September 30, on the status of recouping funds owed to the state from the Desert Community College District.

SEC. 23. Item 7100-001-0514 of Section 2.00 of the Budget Act of 2014 is amended to read:

7100-001-0514—For support of Employment Development Department, for payment to Item 7100-001-0870, payable from the Employment Training Fund..... 73,193,000

Provisions:

- 1. Upon order of the Director of Finance, funds disencumbered from Employment Training Fund training contracts during the 2014–15 fiscal year that have not reverted as of July 1, 2014, may be appropriated in augmentation of this item.
- 2. Notwithstanding subparagraph (B) of paragraph (2) of subdivision (a) of Section 10206 of the Unemployment Insurance Code, the Employment Training Panel’s administrative costs may exceed 15 percent of the amount appropriated in this item.

SEC. 24. Item 7100-001-0870 of Section 2.00 of the Budget Act of 2014 is amended to read:

7100-001-0870—For support of Employment Development Department, payable from the Unemployment Administration Fund—Federal..... 584,593,000

Schedule:

(1) 10-Employment and Employment-Related Services.....	180,765,000
(2) 21-Tax Collections and Benefit Payments.....	810,781,000
(3) 22-California Unemployment Insurance Appeals Board.....	68,167,000
(4) 30.01-General Administration.....	52,969,000
(5) 30.02-Distributed General Administration.....	-50,983,000
(6) 50-Employment Training Panel.....	70,632,000
(7) Reimbursements.....	-26,145,000
(8) Amount payable from the General Fund (Item 7100-001-0001).....	-68,962,000
(9) Amount payable from the Employment Development Department Benefit Audit Fund (Item 7100-001-0184).....	-11,677,000
(10) Amount payable from the Employment Development Department Contingent Fund (Item 7100-001-0185).....	-117,185,000
(11) Amount payable from the Employment Training Fund (Item 7100-001-0514).....	-73,193,000
(12) Amount payable from the Unemployment Compensation Disability Fund (Item 7100-001-0588).....	-249,565,000
(13) Amount payable from the School Employees Fund (Item 7100-001-0908)....	-1,011,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated pursuant to Section 1555 of the Unemployment Insurance Code.
2. Provision 1 of Item 7100-001-0588 also applies to funds appropriated in this item for the Unemployment Insurance Program.
3. The Employment Development Department shall report to the Director of Finance, the chairpersons of the fiscal committees of both houses of the Legislature,

and the Legislative Analyst’s Office by March 1, 2015, on the year-to-date, broken out by month, Unemployment Insurance Program service levels as they relate to all of the following: (a) the number and percentage of initial claims for unemployment benefits processed within three days of receipt; (b) the number and percentage of online inquiries responded to within five days of receipt, (c) the number and percentage of eligibility determinations scheduled within a timely manner, and, (d) the number and percentage of telephone calls responded to per week. In addition, the report shall include any program or process efficiencies identified by the department and how such efficiencies impact resource needs.

SEC. 25. Item 8660-001-0462 of Section 2.00 of the Budget Act of 2014 is amended to read:

8660-001-0462—For support of Public Utilities Commission, payable from the Public Utilities Commission Utilities Reimbursement Account.....	95,263,000
Schedule:	
(1) 10-Regulation of Utilities.....	157,888,000
(2) 15-Universal Service Telephone Programs.....	93,555,000
(3) 20-Regulation of Transportation.....	29,194,000
(4) 30.01-Administration.....	43,132,000
(5) 30.02-Distributed Administration.....	-43,134,000
(6) Reimbursements.....	-60,544,000
(7) Amount payable from the State Highway Account, State Transportation Fund (Item 8660-001-0042).....	-3,963,000
(8) Amount payable from the Public Transportation Account, State Transportation Fund (Item 8660-001-0046).....	-5,964,000
(9) Amount payable from the Transportation Rate Fund (Item 8660-001-0412)....	-2,839,000

- (10) Amount payable from the Public Utilities Commission Transportation Reimbursement Account (Item 8660-001-0461)..... -13,009,000
- (11) Amount payable from the California High-Cost Fund-A Administrative Committee Fund (Item 8660-001-0464)..... -1,474,000
- (12) Amount payable from the California High-Cost Fund-B Administrative Committee Fund (Item 8660-001-0470)..... -1,441,000
- (13) Amount payable from the Universal Lifeline Telephone Service Trust Administrative Committee Fund (Item 8660-001-0471)..... -21,194,000
- (14) Amount payable from the Deaf and Disabled Telecommunications Program Administrative Committee Fund (Item 8660-001-0483)..... -62,657,000
- (15) Amount payable from the Payphone Service Providers Committee Fund (Item 8660-001-0491)..... -72,000
- (16) Amount payable from the California Teleconnect Fund Administrative Committee Fund (Item 8660-001-0493)..... -2,945,000
- (17) Amount payable from the Federal Trust Fund (Item 8660-001-0890)..... -5,498,000
- (18) Amount payable from the California Advanced Services Fund (Item 8660-001-3141)..... -3,772,000

Provisions:

- 1. The Public Utilities Commission shall require any public utility requesting a merger to reimburse the commission for those necessary expenses that the commission incurs in its consideration of the proposed merger. Notwithstanding any other provision of law, due to the bankruptcy of Sacramento Natural Gas Storage, the commission’s intervenor compensation

award to the Avondale Glen Elder Neighborhood Association in A.07-04-013 has been reduced to a fraction of the amount awarded. In this limited circumstance, the commission may expend up to \$1,500,000 to pay to the Avondale Glen Elder Neighborhood Association the difference between the amount received from the bankruptcy court and the amount awarded by the commission by increasing charges collected from utilities pursuant to the commission’s intervenor’s compensation program established under Section 1807 of the Public Utilities Code.

SEC. 26. Item 8660-001-0493 of Section 2.00 of the Budget Act of 2014 is amended to read:

8660-001-0493—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the California Teleconnect Fund Administrative Committee Fund.....	2,945,000
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SEC. 27. Item 8660-011-0470 is added to Section 2.00 of the Budget Act of 2014, to read:

8660-011-0470—For transfer by the Controller, upon order of the Director of Finance, from the High-Cost Fund-B Ad- ministrative Committee Fund to the Regional Railroad Accident Preparedness and Immediate Response Fund as a loan .....	(10,000,000)
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Provisions:

1. The Director of Finance shall transfer \$10,000,000 as a loan to the Office of Emergency Services for regional railroad accident preparedness. No later than July 1, 2017, the loan shall be repaid with interest at the rate earned by the Pooled Money Investment Account at the time of the transfer.

SEC. 28. Item 8660-101-0493 of Section 2.00 of the Budget Act of 2014 is amended to read:

8660-101-0493—For local assistance, Public Utilities Commission, pursuant to Section 270 of the Public Utilities Code, payable from the California Teleconnect Administrative Committee Fund..... 104,605,000

Provisions:

1. Notwithstanding any other provision of law, upon request of the Public Utilities Commission, the Department of Finance may augment the amount available for expenditure in this item to pay claims made to the California Teleconnect Fund Administrative Committee Fund Program. The augmentation may be made no sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee. The amount of funds augmented pursuant to the authority of this provision shall be consistent with the amount approved by the Department of Finance based on its review of the amount of claims received by the Public Utilities Commission from telecommunications carriers.

SEC. 29. Item 9800-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0001—For Augmentation for Employee Compensation..... 271,480,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for compensation increases and increases in benefits related thereto of employees whose compensation, or portion thereof, is chargeable to the General Fund, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in

- accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
3. It is the intent of the Legislature that all proposed augmentations for increased employee compensation costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items where the funds to implement comprehensive statewide compensation policies, including those adopted pursuant to collective bargaining, are considered. This provision shall not apply to augmentations for increased employee compensation costs resulting from mandatory judicial orders to raise pay for any group of employees or augmentations for increased compensation costs, or approvals for departments to provide increased employee compensation levels, that are included in bills separate from the Budget Act.
  4. This item contains funds estimated to be necessary to implement side letters, appendices, or other addenda to a memorandum of understanding (collectively referred to as “pending agreements”) that have been determined by the Joint Legislative Budget Committee to require legislative approval prior to their implementation, but which may not have been approved in separate legislation as of the date of the passage of this act. In the event that the Legislature does not approve separate legislation to authorize implementation of any of the pending agreements, the Director of Finance shall not allocate any funds related to those pending agreements pursuant to Provision 2, and the expenditure of funds for those pending agreements shall not be deemed to have been approved by the Legislature.

5. As of July 31, 2015, the unencumbered balances of the above appropriation shall revert to the General Fund.
6. The Director of Finance may adjust this item of appropriation to reflect the health benefit premium rates approved by the Board of Administration of the California Public Employees' Retirement System for the 2015 calendar year. Within 30 days of making any adjustment pursuant to this provision, the Director of Finance shall report the adjustment in writing to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations.
7. By inclusion of this provision, for purposes of Sections 3517.5 and 3517.63 of the Government Code, the Legislature hereby ratifies the following agreements that require the expenditure of funds: (1) addendum concerning Aviation Consultants, dated November 22, 2013, to the Memorandum of Understanding (MOU) with State Bargaining Unit 1 (Service Employees International Union); (2) addendum concerning Recreational Therapists, dated March 4, 2014, to the MOU with State Bargaining Unit 19 (American Federation of State, County, and Municipal Employees); (3) the MOU dated May 5, 2014, with State Bargaining Unit 13 (International Union of Operating Engineers), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to July 1, 2016, such appropriation will be subsumed by the expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to June 30, 2016, such appropriation will be subsumed by the

expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

SEC. 30. Item 9800-001-0494 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0494—For Augmentation for Employee Compensation, payable from other unallocated special funds..... 228,931,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for compensation increases and increases in benefits related thereto of employees whose compensation, or portion thereof, is chargeable to special funds, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
3. Notwithstanding any other provision of law, upon approval of the Director of Finance, expenditure authority may be transferred between this item and Item 9800-001-0988 as necessary to fund costs for approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
4. It is the intent of the Legislature that all proposed augmentations for increased employee compensation costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into

a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items where the funds to implement comprehensive statewide compensation policies, including those adopted pursuant to collective bargaining, are considered. This provision shall not apply to augmentations for increased employee compensation costs resulting from mandatory judicial orders to raise pay for any group of employees or augmentations for increased compensation costs, or approvals for departments to provide increased employee compensation levels, that are included in bills separate from the Budget Act.

5. This item contains funds estimated to be necessary to implement side letters, appendices, or other addenda to a memorandum of understanding (collectively referred to as “pending agreements”) that have been determined by the Joint Legislative Budget Committee to require legislative approval prior to their implementation, but which may not have been approved in separate legislation as of the date of the passage of this act. In the event that the Legislature does not approve separate legislation to authorize implementation of any of the pending agreements, the Director of Finance shall not allocate any funds related to those pending agreements pursuant to Provision 2, and the expenditure of funds for those pending agreements shall not be deemed to have been approved by the Legislature.
6. As of July 31, 2015, the unencumbered balances of the above appropriation shall no longer be available for expenditure.
7. The Director of Finance may adjust this item of appropriation to reflect the health benefit premium rates approved by the Board of Administration of the California Public Employees’ Retirement System for the 2015 calendar year. Within 30 days of making any

adjustment pursuant to this provision, the Director of Finance shall report the adjustment in writing to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committees in each house of the Legislature that consider appropriations.

8. By inclusion of this provision, for purposes of Sections 3517.5 and 3517.63 of the Government Code, the Legislature hereby ratifies the following agreements that require the expenditure of funds: (1) addendum concerning Aviation Consultants, dated November 22, 2013, to the Memorandum of Understanding (MOU) with State Bargaining Unit 1 (Service Employees International Union); (2) addendum concerning Recreational Therapists, dated March 4, 2014, to the MOU with State Bargaining Unit 19 (American Federation of State, County, and Municipal Employees); (3) the MOU dated May 5, 2014, with State Bargaining Unit 13 (International Union of Operating Engineers), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to July 1, 2016; such appropriation will be subsumed by the expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to June 30, 2016; such appropriation will be subsumed by the expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

SEC. 31. Item 9800-001-0988 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0988—For Augmentation for Employee Compensation, payable from other unallocated nongovernmental cost funds.....	112,757,000
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Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for employee compensation increases, and increases in benefits related thereto, whose compensation or portion thereof is chargeable to nongovernmental cost funds, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
3. Notwithstanding any other provision of law, upon approval of the Director of Finance, expenditure authority may be transferred between Item 9800-001-0494 and this item as necessary to fund costs for approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
4. It is the intent of the Legislature that all proposed augmentations for increased employee compensation costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items

where the funds to implement comprehensive statewide compensation policies, including those adopted pursuant to collective bargaining, are considered. This provision shall not apply to augmentations for increased employee compensation costs resulting from mandatory judicial orders to raise pay for any group of employees or augmentations for increased compensation costs, or approvals for departments to provide increased employee compensation levels, that are included in bills separate from the Budget Act.

5. This item contains funds estimated to be necessary to implement side letters, appendices, or other addenda to a memorandum of understanding (collectively referred to as “pending agreements”) that have been determined by the Joint Legislative Budget Committee to require legislative approval prior to their implementation, but which may not have been approved in separate legislation as of the date of the passage of this act. In the event that the Legislature does not approve separate legislation to authorize implementation of any of the pending agreements, the Director of Finance shall not allocate any funds related to those pending agreements pursuant to Provision 2, and the expenditure of funds for those pending agreements shall not be deemed to have been approved by the Legislature.
6. As of July 31, 2015, the unencumbered balances of the above appropriation shall no longer be available for expenditure.
7. The Director of Finance may adjust this item of appropriation to reflect the health benefit premium rates approved by the Board of Administration of the California Public Employees’ Retirement System for the 2015 calendar year. Within 30 days of making any adjustment pursuant to this provision, the Director of Finance shall report the adjustment in writing to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations.
8. By inclusion of this provision, for purposes of Sections 3517.5 and 3517.63 of the Government Code, the

Legislature hereby ratifies the following agreements that require the expenditure of funds: (1) addendum concerning Aviation Consultants, dated November 22, 2013, to the Memorandum of Understanding (MOU) with State Bargaining Unit 1 (Service Employees International Union); (2) addendum concerning Recreational Therapists, dated March 4, 2014, to the MOU with State Bargaining Unit 19 (American Federation of State, County, and Municipal Employees); (3) the MOU dated May 5, 2014, with State Bargaining Unit 13 (International Union of Operating Engineers), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to July 1, 2016, such appropriation will be subsumed by the expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to June 30, 2016, such appropriation will be subsumed by the expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

SEC. 32. Section 11.00 of the Budget Act of 2014 is amended to read:

Sec. 11.00. The Department of Finance shall report to the Joint Legislative Budget Committee when a reportable information technology project's overall costs increase by \$5,000,000 or 20 percent of the budgeted cost of the project, whichever is less. Each report shall include all of the following: (1) the total change in cost, scope, and schedule; (2) the reason for the change or changes; (3) a description of new, amended, or new and amended contracts

required as a result of the change or changes; (4) a list of the risks and issues identified in the last two Independent Verification and Validation and Independent Project Oversight Reports and any risk and issue that has been identified since those reports; and (5) the department's planned mitigation of these risks and issues. The report shall be made no less than 30 calendar days prior to any commitment to a new contract or contract amendment that is a result of the change or changes identified above, or a lesser period if requested by the department and approved by the Chairperson of the Joint Legislative Budget Committee or his or her designee.

SEC. 33. Section 39.00 of the Budget Act of 2014 is amended to read:

Sec. 39.00. The Legislature hereby finds and declares that the following bills are other bills providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution: AB 1458, AB 1459, AB 1460, AB 1461, AB 1462, AB 1463, AB 1464, AB 1465, AB 1466, AB 1467, AB 1468, AB 1469, AB 1471, AB 1472, AB 1473, AB 1474, AB 1475, AB 1477, AB 1478, AB 1479, AB 1480, AB 1481, AB 1482, AB 1483, AB 1484, AB 1485, AB 1486, AB 1487, AB 1488, AB 1489, AB 1490, AB 1491, AB 1492, AB 1493, AB 1494, AB 1495, AB 1496, AB 1497, SB 853, SB 854, SB 855, SB 856, SB 857, SB 858, SB 859, SB 860, SB 861, SB 862, SB 863, SB 864, SB 866, SB 867, SB 868, SB 869, SB 870, SB 873, SB 874, SB 875, SB 876, SB 877, SB 878, SB 879, SB 880, SB 881, SB 882, SB 883, SB 884, SB 885, SB 886, SB 887, SB 888, SB 889, SB 890, and SB 891.

SEC. 34. This act is a Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution and shall take effect immediately.





















Approved \_\_\_\_\_, 2014

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*Governor*