

AMENDED IN ASSEMBLY AUGUST 26, 2014

AMENDED IN ASSEMBLY AUGUST 22, 2014

AMENDED IN ASSEMBLY AUGUST 13, 2014

AMENDED IN ASSEMBLY AUGUST 4, 2014

**SENATE BILL**

**No. 872**

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**Introduced by Committee on Budget and Fiscal Review**

(Coauthors: Assembly Members Muratsuchi, Skinner, and Williams)

January 9, 2014

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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 and 3940-496 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

SB 872, as amended, Committee on Budget and Fiscal Review. 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 various items of appropriation and making other changes to the Budget Act of 2014.

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

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

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

3  
4 0250-302-3138—For capital outlay, Judicial Branch, payable  
5 from the Immediate and Critical Needs Account, State  
6 Court Facilities Construction Fund..... \$27,000,000  
7 Schedule:

8 (1) 91.34.001-Sacramento County: New  
9 Sacramento Criminal Courthouse-Pre-  
10 liminary Plans and Working Draw-  
11 ings..... \$27,000,000

12 Provisions:  
13 1. Notwithstanding any other provisions of law, the funds  
14 appropriated in Schedule (1) shall be available for  
15 encumbrance until June 30, 2016.

16  
17 SEC. 2. Item 0555-001-0193 of Section 2.00 of the Budget  
18 Act of 2014 is amended to read:

19  
20 0555-001-0193—For support of Secretary for Environmental  
21 Protection, for payment to Item 0555-001-0044, payable  
22 from the Waste Discharge Permit Fund..... 1,800,000  
23 Provisions:

24  
25 1. Of the amount appropriated in this item, \$1,500,000  
26 is contingent upon penalty revenues that are subject  
27 to separate accounting in accordance with subdivision  
28 (c) of Section 13264, subdivision (f) of Section 13268,  
29 subdivision (k) of Section 13350, and paragraph (2)  
30 of subdivision (n) of Section 13385 of the Water Code

1 in excess of \$229,000 being received and deposited  
 2 into the Waste Discharge Permit Fund after June 30,  
 3 2014, and before July 1, 2015. If the penalty revenues  
 4 described in the preceding sentence exceed \$229,000,  
 5 then notwithstanding subdivision (c) of Section 13264,  
 6 subdivision (f) of Section 13268, subdivision (k) of  
 7 Section 13350, and paragraph (2) of subdivision (n)  
 8 of Section 13385 of the Water Code, the amount in  
 9 excess of \$229,000, up to a total of \$1,500,000, shall  
 10 be available for environmental justice grants pursuant  
 11 to Section 71116 of the Public Resources Code. These  
 12 funds are available for encumbrance or expenditure  
 13 until June 30, 2016.

14  
 15 *SEC. 3. Item 0650-001-0001 of Section 2.00 of the Budget Act*  
 16 *of 2014 is amended to read:*

18	0650-001-0001—For support of Office of Planning and Re-	
19	search.....	5,123,000
20	Schedule:	
21	(1) 11-State Planning and Policy Develop-	
22	ment.....	<del>10,571,000</del>
23		5,571,000
24	(2) 21-California Volunteers.....	5,553,000
25	(3) 31-Strategic Growth Council.....	799,000
26	(4) Reimbursements.....	-3,893,000
27	(5) Amount payable from the Federal Trust	
28	Fund (Item 0650-001-0890).....	-1,820,000
29	(6) Amount payable from the Central Ser-	
30	vice Cost Recovery Fund (Item 0650-	
31	001-9740).....	-288,000
32	(7) Amount payable from the Greenhouse	
33	Gas Reduction Fund (Item 0650-001-	
34	3228).....	-799,000
35	<del>(8) Amount payable from the Recidivism</del>	
36	<del>Reduction Fund (Item 0650-001-</del>	
37	<del>3259).....</del>	<del>-5,000,000</del>

1 Provisions:

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

5  
6 ~~SEC. 3.~~

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

9 ~~SEC. 4.~~

10 *SEC. 5.* Item 2660-001-0046 of Section 2.00 of the Budget Act  
11 of 2014 is amended to read:

12  
13 2660-001-0046—For support of Department of Transportation,  
14 for payment to Item 2660-001-0042, payable from the  
15 Public Transportation Account, State Transportation  
16 Fund..... 182,104,000

17 Provisions:

18 1. For Program 30—Mass Transportation, \$119,487,000  
19 appropriated in this item is available for intercity rail  
20 contracts.

21 2. Notwithstanding any other provision of law, funds  
22 appropriated in this item from the Public Transporta-  
23 tion Account may be reduced and replaced by an  
24 equivalent amount of federal funds determined by the  
25 Department of Transportation to be available and  
26 necessary to comply with Section 8.50 and the most  
27 effective management of state transportation resources.  
28 Not more than 30 days after replacing the state funds  
29 with federal funds, the Director of Finance shall notify  
30 in writing the chairpersons of the committees in each  
31 house of the Legislature that consider appropriations  
32 and the Chairperson of the Joint Legislative Budget  
33 Committee of this action.

34 3. Of the funds appropriated in this item, the Department  
35 of Finance may transfer expenditure authority among  
36 schedules to accommodate increases in Amtrak con-  
37 tract costs related to fuel.  
38

1 ~~SEC. 5.~~

2 *SEC. 6.* Item 3940-001-0193 of Section 2.00 of the Budget Act  
3 of 2014 is amended to read:

4  
5 3940-001-0193—For support of State Water Resources Control  
6 Board, for payment to Item 3940-001-0439, payable from  
7 the Waste Discharge Permit Fund..... 114,038,000  
8 Provisions:

- 9
- 10 1. Of the amount appropriated in this item, up to
- 11 \$1,800,000 shall be from the penalty revenues that are
- 12 subject to separate accounting in accordance with
- 13 subdivision (c) of Section 13264, subdivision (f) of
- 14 Section 13268, subdivision (k) of Section 13350, and
- 15 paragraph (2) of subdivision (n) of Section 13385 of
- 16 the Water Code. These funds shall be available to
- 17 support a pilot program to address the environmental
- 18 issues and natural resource damages associated with
- 19 the cultivation of marijuana.
- 20 2. Of the amount appropriated in this item, up to
- 21 \$500,000 shall be from the penalty revenues that are
- 22 subject to separate accounting in accordance with
- 23 subdivision (c) of Section 13264, subdivision (f) of
- 24 Section 13268, subdivision (k) of Section 13350, and
- 25 paragraph (2) of subdivision (n) of Section 13385 of
- 26 the Water Code. These funds shall be available to
- 27 support the greater Monterey County Regional Water
- 28 Management Group development of an integrated plan
- 29 to address drinking water and wastewater needs of the
- 30 disadvantaged communities in the Salinas Valley.

31

32 ~~SEC. 6.~~

33 *SEC. 7.* Item 3940-496 is added to Section 2.00 of the Budget  
34 Act of 2014, to read:

35  
36 3940-496—Reversion, State Water Resources Control Board.  
37 As of June 30, 2014, the unencumbered balances of the  
38 appropriations provided in the following citations shall  
39 revert to the fund balances of the funds from which the  
40 appropriations were made:

- 1 0193—Waste Discharge Permit Fund
- 2 (1) Item 3940-001-0193, Budget Act of 2012 (Chs. 21
- 3 and 29, Stats. 2012), for the purposes specified in
- 4 Provision 1 of that item.
- 5 (2) Item 3940-001-0193, Budget Act of 2013 (Chs. 20
- 6 and 354, Stats. 2013), for the purposes specified in
- 7 Provision 1 of that item.

8  
9 ~~SEC. 7.~~

10 *SEC. 8.* Item 3980-001-0001 of Section 2.00 of the Budget Act  
11 of 2014 is amended to read:

12

13 3980-001-0001—For support of Office of Environmental Health

14 Hazard Assessment.....		4,616,000
15 Schedule:		
16 (1) 10-Health Risk Assessment.....	22,806,000	
17 (2) Reimbursements.....	-3,646,000	
18 (3) Amount payable from the Unified Pro-		
19 gram Account (Item 3980-001-0028)....	-147,000	
20 (4) Amount payable from the Motor Vehicle		
21 Account, State Transportation Fund		
22 (Item 3980-001-0044).....	-4,052,000	
23 (5) Amount payable from the Childhood		
24 Lead Poisoning Prevention Fund (Item		
25 3980-001-0080).....	-144,000	
26 (6) Amount payable from the California		
27 Used Oil Recycling Fund (Item 3980-		
28 001-0100).....	-619,000	
29 (7) Amount payable from the Department		
30 of Pesticide Regulation Fund (Item		
31 3980-001-0106).....	-1,916,000	
32 (8) Amount payable from the Air Pollution		
33 Control Fund (Item 3980-001-0115)....	-772,000	
34 (9) Amount payable from the California		
35 Environmental License Plate Fund (Item		
36 3980-001-0140).....	-959,000	
37 (10) Amount payable from the Oil Spill		
38 Prevention and Administration Fund		
39 (Item 3980-001-0320).....	-145,000	

1	(11) Amount payable from the Integrated	
2	Waste Management Account, Integrated	
3	Waste Management Fund (Item 3980-	
4	001-0387).....	-277,000
5	(12) Amount payable from the Public Utili-	
6	ties Commission Utilities Reimburse-	
7	ment Account (Item 3980-001-0462)....	-157,000
8	(13) Amount payable from the Toxic Sub-	
9	stances Control Account (Item 3980-	
10	001-0557).....	-251,000
11	(14) Amount payable from the Federal Trust	
12	Fund (Item 3980-001-0890).....	-414,000
13	(15) Amount payable from the Safe Drinking	
14	Water and Toxic Enforcement Fund	
15	(Item 3980-001-3056).....	-3,969,000
16	(16) Amount payable from the Birth Defects	
17	Monitoring Fund (Item 3980-001-	
18	3114).....	-144,000
19	(17) Amount payable from the Greenhouse	
20	Gas Reduction Fund (Item 3980-001-	
21	3228).....	-578,000

22

~~SEC. 8.~~

23  
24 SEC. 9. Item 3980-001-3056 of Section 2.00 of the Budget Act  
25 of 2014 is amended to read:

26

27 3980-001-3056—For support of Office of Environmental Health  
28 Hazard Assessment, for payment to Item 3980-001-0001,  
29 payable from the Safe Drinking Water and Toxic Enforce-  
30 ment Fund..... 3,969,000

31

Provisions:

32

- 33 1. Notwithstanding any other provision of law, of the
- 34 funds appropriated in Schedule (1) of Item 3980-001-
- 35 0001, up to \$890,000 is available for development of
- 36 an enhanced Proposition 65 Internet Web site, for ex-
- 37 penditure or encumbrance until June 30, 2016. Funding
- 38 provided pursuant to this provision shall be made
- 39 available only upon California Department of Technol-
- 40 ogy approval of a Stage 1 Business Analysis and cor-

- 1        2. The Director of Finance may increase or decrease this
- 2        item of appropriation based on the final approved
- 3        Feasibility Study Report. Within 30 days of making
- 4        any adjustment, the Department of Finance shall report
- 5        the adjustment in writing to the Joint Legislative
- 6        Budget Committee.
- 7        3. Notwithstanding any other provision of law, of the
- 8        funds appropriated in Schedule (1) of Item 3980-001-
- 9        0001, up to \$894,000 is available for payment of a
- 10       settlement agreement related to the Proposition 65
- 11       program. Any funds appropriated in excess of the
- 12       amount required for payment of the settlement shall
- 13       revert to the Safe Drinking Water and Toxic Enforce-
- 14       ment Fund.

15  
16    ~~SEC. 9.~~

17    *SEC. 10.* Item 5180-001-0001 of Section 2.00 of the Budget  
18 Act of 2014 is amended to read:

19

20    5180-001-0001—For support of Department of Social Ser-

21    vices..... 128,134,000

22    Schedule:

23    (1) 16-Welfare Programs..... 73,182,000

24    (2) 25-Social Services and Licensing..... 192,210,000

25    (3) 35-Disability Evaluation and Other

26    Services..... 284,022,000

27    (4) 60.01-Administration..... 51,662,000

28    (5) 60.02-Distributed Administration..... -51,662,000

29    (6) Reimbursements..... -48,089,000

30    (7) Amount payable from the Foster Family

31    Home and Small Family Home Insur-

32    ance Fund (Item 5180-001-0131)..... -1,596,000

33    (8) Amount payable from the Federal

34    Trust Fund (Item 5180-001-0890)..... -371,595,000

35    Provisions:

- 36    1. The Department of Finance may authorize the transfer
- 37    of funds from Schedule (2) of this item to Schedule
- 38    (1), Program 25.30, of Item 5180-151-0001, Children
- 39    and Adult Services and Licensing, in order to allow
- 40    counties to perform the facilities evaluation function.

- 1       2. The Department of Finance may authorize the transfer  
2       of funds from Schedule (2) of this item to Schedule  
3       (1), Program 25.30, of Item 5180-151-0001, Children  
4       and Adult Services and Licensing, in order to allow  
5       counties to perform the adoptions program function.
- 6       3. Nonfederal funds appropriated in this item that have  
7       been budgeted to meet the state’s Temporary Assis-  
8       tance for Needy Families maintenance-of-effort require-  
9       ment established pursuant to the federal Personal Re-  
10      sponsibility and Work Opportunity Reconciliation Act  
11      of 1996 (P.L. 104-193) may not be expended in any  
12      way that would cause their disqualification as a feder-  
13      ally allowable maintenance-of-effort expenditure.
- 14     4. Notwithstanding paragraph (4) of subdivision (b) of  
15     Section 1778 of the Health and Safety Code, the State  
16     Department of Social Services may use no more than  
17     20 percent of the fees collected pursuant to Chapter  
18     10 (commencing with Section 1770) of Division 2 of  
19     the Health and Safety Code for overhead costs, facili-  
20     ties operation, and indirect department costs.
- 21     5. Upon request of the State Department of Social Ser-  
22     vices and the State Department of Health Care Ser-  
23     vices, the Director of Finance may authorize the  
24     transfer of amounts from Item 4260-101-0001, State  
25     Department of Health Care Services, to this item to  
26     fund the cost of the administrative hearing process  
27     associated with changes in aid or service payments in  
28     the Medi-Cal program. The Department of Finance  
29     shall report to the Legislature the amount to be trans-  
30     ferred pursuant to this provision. The transfer shall be  
31     authorized at the time the report is made.
- 32     6. Provision 1 of Items 5180-001-0270 and 5180-001-  
33     0279 also apply to this item.
- 34     7. Notwithstanding any other provision of law, the De-  
35     partment of Finance may authorize a reduction of po-  
36     sitions and associated funding or authorize an increase  
37     up to 5.0 positions and associated funding for the ex-  
38     pansion of the Title IV-E Child Welfare Waiver  
39     Demonstration Project upon final federal approval of  
40     the waiver and contingent upon the final number of

- 1 participating counties in the waiver extension. Ap-
- 2 proval of the increase for positions and funding would
- 3 be subject to a 30-day prior notification in writing to
- 4 the Joint Legislative Budget Committee and the fiscal
- 5 committees in each house of the Legislature, unless
- 6 the Chairperson of the Joint Legislative Budget Com-
- 7 mittee, or his or her designee, imposes a lesser time.
- 8 8. The Department of Finance and Department of Tech-
- 9 nology shall determine the appropriateness of main-
- 10 taining funding for permanent positions included in
- 11 this item and Item 5180-001-0890 for the Child Wel-
- 12 fare Services-New System project during the develop-
- 13 ment of the budget for the 2019–20 fiscal year or after
- 14 implementation of the project is completed, whichever
- 15 is later.
- 16 9. Schedule (1) reflects an increase in staffing resources
- 17 for the CalWORKs program. It is the intent of the
- 18 Legislature that these resources focus on successful
- 19 implementation of Early Engagement components and
- 20 assist in clarification of the intent of recent changes
- 21 to improve the CalWORKs program and opportunities
- 22 for clients in a meaningful way.

~~SEC. 10.~~

SEC. 11. Item 5180-151-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

28	5180-151-0001—For local assistance, Department of Social	
29	Services.....	71,559,000
30	Schedule:	
31	(1) 25.30-Children and Adult Services	
32	and Licensing.....	1,435,400,000
33	(2) 25.35-Special Programs.....	30,935,000
34	(3) Reimbursements.....	-252,878,000
35	(4) Amount payable from the Child Health	
36	and Safety Fund (Item 5180-151-	
37	0279).....	-924,000
38	(5) Amount payable from the State Chil-	
39	dren’s Trust Fund (Item 5180-151-	
40	0803).....	-995,000

- 1 (6) Amount payable from the Federal
- 2 Trust Fund (Item 5180-151-
- 3 0890)..... -1,135,979,000
- 4 (7) Amount payable from the Child Welfare
- 5 Services Program Improvement Fund
- 6 (Item 5180-151-8023)..... -4,000,000
- 7 Provisions:
- 8 1. Provision 1 of Item 5180-101-0001 also applies to this
- 9 item.
- 10 2. Notwithstanding Chapter 1 (commencing with Section
- 11 18000) of Part 6 of Division 9 of the Welfare and In-
- 12 stitutions Code and pursuant to Section 30029.8 of the
- 13 Government Code, a loan not to exceed \$50,000,000
- 14 shall be made available from the General Fund, from
- 15 funds not otherwise appropriated, to cover the federal
- 16 share or reimbursable share, or both, of costs of a
- 17 program or programs when the federal funds or reim-
- 18 bursements have not been received by this state prior
- 19 to the usual time for transmitting state payments for
- 20 the federal or reimbursable share of costs. The loan
- 21 from the General Fund shall be repaid when the federal
- 22 or reimbursable share of costs for the program or pro-
- 23 grams becomes available.
- 24 3. The Department of Finance may authorize the estab-
- 25 lishment of positions and transfer of amounts from
- 26 this item to Item 5180-001-0001, in order to allow the
- 27 state to perform the facilities evaluation function of
- 28 Community Care Licensing in the event the counties
- 29 fail to perform that function.
- 30 4. Nonfederal funds appropriated in this item which have
- 31 been budgeted to meet the state’s Temporary Assis-
- 32 tance for Needy Families maintenance-of-effort require-
- 33 ment established pursuant to the federal Personal Re-
- 34 sponsibility and Work Opportunity Reconciliation Act
- 35 of 1996 (P.L. 104-193) may not be expended in any
- 36 way that would cause their disqualification as a feder-
- 37 ally allowable maintenance-of-effort expenditure.
- 38 5. The Department of Finance may authorize the estab-
- 39 lishment of positions and transfer of amounts from
- 40 this item to Item 5180-001-0001 in order to allow the

- 1 state to perform the adoptions function in the event  
2 that a county notifies the State Department of Social  
3 Services that it intends to cease performing that func-  
4 tion.
- 5 6. Of the amount appropriated in this item, up to  
6 \$400,000 is available to counties for semiannual im-  
7 plementation progress reports related to the Katie A.  
8 v. Bonta settlement and implementation plan, as de-  
9 scribed in the department’s All County Letter (ACL)  
10 No. 13-73 and ACL No. 14-29, and upon approval by  
11 the Director of Finance. Prior to approval, the Director  
12 of Finance shall consult with the State Department of  
13 Health Care Services, the State Department of Social  
14 Services, and California State Association of Counties  
15 to determine if counties incurred overall cost increases  
16 due to the notices outlined in this provision. The De-  
17 partment of Finance shall provide notification of the  
18 allocation to the Joint Legislative Budget Committee  
19 within 10 working days from the date of Department  
20 of Finance approval.
- 21 7. The following amounts appropriated in this item shall  
22 only be allocated to counties upon approval by the  
23 Director of Finance: (a) up to \$68,000 to support in-  
24 creased costs associated with revised county collection  
25 and reporting activities for cases of child abuse and  
26 neglect that result in near fatalities, as required by the  
27 federal Child Abuse Prevention and Treatment Act;  
28 and (b) up to \$3,471,000 to support increased costs to  
29 counties associated with revised federal requirements  
30 for child welfare case reviews. Prior to approval, the  
31 Director of Finance shall consult with the State Depart-  
32 ment of Social Services and the California State Asso-  
33 ciation of Counties to determine if counties incurred  
34 overall cost increases. The Department of Finance  
35 shall provide written notification of the allocation of  
36 funds to the Joint Legislative Budget Committee  
37 within 10 working days from the date of approval.
- 38 8. Funds appropriated in this item for the Commercially  
39 Sexually Exploited Children Program required by  
40 Chapter 5.2 (commencing with Section 16524.6) of

1 Part 4 of Division 9 of the Welfare and Institutions  
2 Code shall continue to be available for expenditure or  
3 encumbrance until June 30, 2016.

4 9. Provision 2 of Item 5180-151-0890 also applies to this  
5 item.

6  
7 ~~SEC. 11.~~

8 *SEC. 12.* Item 5227-101-3259 of Section 2.00 of the Budget  
9 Act of 2014 is amended to read:

10  
11 5227-101-3259—For local assistance, Board of State and  
12 Community Corrections..... 28,000,000

13 Provisions:

14 1. Of the funds appropriated in this item, \$670,000 shall  
15 be made available to the city in California with the  
16 highest rate of murder per capita as reported per  
17 100,000 residents by city police departments with a  
18 population of 250,000 residents or greater in the 2012  
19 United States Department of Justice Uniform Crime  
20 Report.

21 2. Of the funds appropriated in this item, \$665,000 shall  
22 be made available to the city in California with the  
23 highest rate of rape per capita as reported per 100,000  
24 residents by city police departments with a population  
25 of 250,000 residents or greater in the 2012 United  
26 States Department of Justice Uniform Crime Report.

27 3. Of the funds appropriated in this item, \$665,000 shall  
28 be made available to the city in California with the  
29 highest rate of robbery per capita as reported per  
30 100,000 residents by city police departments with a  
31 population of 250,000 residents or greater in the 2012  
32 United States Department of Justice Uniform Crime  
33 Report.

34 4. Each city that receives a grant pursuant to Provision  
35 1, 2, or 3 shall collaborate and coordinate with area  
36 jurisdictions and agencies, including the existing  
37 county juvenile coordination council, with the goal of  
38 reducing criminal activity in the city and adjacent ar-  
39 eas. Each grantee shall establish a coordinating and  
40 advisory council to prioritize the use of the funds.

1 Membership shall include city officials, local law en-  
2 forcement, local educational agencies, and community-  
3 based organizations.

4

5 ~~SEC. 12.~~

6 *SEC. 13.* Item 5227-106-0001 of Section 2.00 of the Budget  
7 Act of 2014 is amended to read:

8

9 5227-106-0001—For local assistance, Board of State and  
10 Community Corrections..... 11,286,000

11 Provisions:

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

20

21 ~~SEC. 13.~~

22 *SEC. 14.* Item 6110-111-0001 of Section 2.00 of the Budget  
23 Act of 2014 is amended to read:

24

25 6110-111-0001—For local assistance, Department of Education,  
26 for allocation by the Superintendent of Public Instruction  
27 to California state preschool providers pursuant to Section  
28 8278.3 of the Education Code..... 10,000,000

29 Provisions:

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

36

37 ~~SEC. 14.~~

38 *SEC. 15.* Item 6110-194-0001 of Section 2.00 of the Budget  
39 Act of 2014 is amended to read:

1 6110-194-0001—For local assistance, Department of Education,  
2 for allocation by the Superintendent of Public Instruction  
3 to school districts, county offices of education, and other  
4 agencies for child care and development programs included  
5 in this item, in lieu of the amount that otherwise would be  
6 appropriated pursuant to any other statute..... 822,235,000  
7 Schedule:  
8 (1.5) 30.10.020-Child Care Services..... 1,402,291,000  
9 (a) 30.10.020.001-Spe-  
10 cial Program, Child  
11 Development, Gen-  
12 eral Child Develop-  
13 ment Programs..... 543,867,000  
14 (c) 30.10.020.004-Spe-  
15 cial Program, Child  
16 Development, Mi-  
17 grant Day Care..... 27,513,000  
18 (d) 30.10.020.007-Spe-  
19 cial Program, Child  
20 Development, Alter-  
21 native Payment Pro-  
22 gram..... 182,296,000  
23 (e) 30.10.020.011-Spe-  
24 cial Program, Child  
25 Development Alter-  
26 native Payment Pro-  
27 gram—Stage 2..... 354,548,000  
28 (f) 30.10.020.012-Spe-  
29 cial Program, Child  
30 Development Alter-  
31 native Payment Pro-  
32 gram—Stage 3..... 219,825,000  
33 (g) 30.10.020.008-Spe-  
34 cial Program, Child  
35 Development, Re-  
36 source and Refer-  
37 ral..... 18,687,000

1	(j)	30.10.020.096-Special	
2		Program, Child Development,	
3		Allowance for	
4		Handicapped.....	1,535,000
5	(k)	30.10.020.106-Special	
6		Program, Child Development,	
7		California	
8		Child Care Initiative.....	225,000
9			
10	(l)	30.10.020.901-Special	
11		Program, Child Development,	
12		Quality Improvement.....	46,476,000
13			
14	(n)	30.10.020.920-Special	
15		Program, Child Development,	
16		Local Planning Councils.....	3,319,000
17			
18	(o)	30.10.020.014-Special	
19		Program, Child Development,	
20		Accounts Payable.....	4,000,000
21			
22	(3)	Amount payable from the Federal	
23		Trust Fund (Item 6110-194-0890).....	-580,056,000
24		Provisions:	
25	1.	Funds in Schedules (1.5)(g), Resource and Referral,	
26		(1.5)(k), California Child Care Initiative, (1.5)(l),	
27		Quality Improvement, and (1.5)(n), Local Planning	
28		Councils, shall be allocated to meet federal require-	
29		ments to improve the quality of child care and shall	
30		be used in accordance with the approved California	
31		state plan for the federal Child Care and Development	
32		Fund that is developed pursuant to the requirements	
33		under Section 8206.1 of the Education Code.	
34	2.	Nonfederal funds appropriated in this item which have	
35		been budgeted to meet the state's Temporary Assistance	
36		for Needy Families maintenance-of-effort require-	
37		ment established pursuant to the federal Personal Re-	
38		sponsibility and Work Opportunity Reconciliation Act	
39		of 1996 (P.L. 104-193) may not be expended in any	

- 1 way that would cause their disqualification as a feder-  
2 ally allowable maintenance-of-effort expenditure.
- 3 4. Notwithstanding any other provision of law, funds in  
4 Schedule (1.5)(o) are available for accounts payable  
5 for alternative payment programs for actual and allow-  
6 able costs incurred for additional services, pursuant  
7 to Section 8222.1 of the Education Code. The State  
8 Department of Education shall give priority for the  
9 allocation of these funds for accounts payable.
- 10 5. The amounts provided in Schedules (1.5)(a), (1.5)(c),  
11 (1.5)(d), and (1.5)(j) of this item reflect an adjustment  
12 to the base funding of 0.49 percent for an increase in  
13 the population of 0–4 year-olds.
- 14 6. The maximum standard reimbursement rate shall not  
15 exceed \$36.10 per day for general child care programs.  
16 Furthermore, the migrant child care program shall  
17 adhere to the maximum standard reimbursement rates  
18 as prescribed for the general child care programs. All  
19 other rates and adjustment factors shall conform.
- 20 7. (a) Alternative payment child care programs shall be  
21 subject to the rate ceilings established in the Re-  
22 gional Market Rate Survey of California child  
23 care and development providers for provider  
24 payments. When approved pursuant to Sections  
25 8357 and 8447 of the Education Code, any  
26 changes to the market rate limits, adjustment fac-  
27 tors, or regions shall be utilized by the State De-  
28 partment of Education, the California Community  
29 Colleges, and the State Department of Social  
30 Services in various programs under the jurisdic-  
31 tion of these departments.
- 32 (b) Starting July 1, 2014, through December 31, 2014,  
33 the funds appropriated in this item for the cost of  
34 licensed child care services provided through al-  
35 ternative payment or voucher programs, including  
36 those provided under Article 3 (commencing with  
37 Section 8220) and Article 15.5 (commencing with  
38 Section 8350) of Chapter 2 of Part 6 of Division  
39 1 of Title 1 of the Education Code, shall be used  
40 only to reimburse child care costs up to the 85th

1 percentile of the rates charged by providers offer-  
 2 ing the same type of child care for the same age  
 3 child in that region, based on the 2005 Regional  
 4 Market Rate Survey data. Starting January 1,  
 5 2015, the funds appropriated in this item for the  
 6 cost of licensed child care services provided  
 7 through alternative payment or voucher programs,  
 8 including those provided under Article 3 (com-  
 9 mencing with Section 8220) and Article 15.5  
 10 (commencing with Section 8350) of Chapter 2 of  
 11 Part 6 of Division 1 of Title 1 of the Education  
 12 Code, shall be used only to reimburse child care  
 13 costs up to the deficated 85th percentile of the  
 14 rates charged by providers offering the same type  
 15 of child care for the same age child in that region,  
 16 based on the 2009 Regional Market Rate Survey  
 17 data. The 85th percentile of rates based on the  
 18 2009 Regional Market Rate Survey shall be re-  
 19 duced by 10.11 percent, pursuant to Sections 8357  
 20 and 8447 of the Education Code. If the reduced  
 21 rate schedule reimbursement amount for a partic-  
 22 ular county rate is less than the reimbursement  
 23 amount provided for the same rate prior to January  
 24 1, 2015, then the State Department of Education  
 25 shall use the rate schedule from the 2005 Regional  
 26 Market Rate Survey for that particular reimburse-  
 27 ment amount.

28 (c) The funds appropriated in this item for the cost  
 29 of license-exempt child care services provided  
 30 through alternative payment or voucher programs,  
 31 including those provided under Article 3 (com-  
 32 mencing with Section 8220) and Article 15.5  
 33 (commencing with Section 8350) of Chapter 2 of  
 34 Part 6 of Division 1 of Title 1 of the Education  
 35 Code, shall be used only to reimburse license-ex-  
 36 empt child care costs up to 60 percent of the re-  
 37 gional reimbursement rate limits established for  
 38 family child care homes.

39 8. (a) The State Department of Education (SDE) shall  
 40 conduct monthly analyses of CalWORKs Stage

1           2 and Stage 3 caseloads and expenditures and  
2           adjust agency contract maximum reimbursement  
3           amounts and allocations as necessary to ensure  
4           funds are distributed proportionally to need. The  
5           SDE shall share monthly caseload analyses with  
6           the State Department of Social Services (DSS).  
7       (b) The SDE shall provide quarterly information re-  
8           garding the sufficiency of funding for Stage 2 and  
9           Stage 3 to DSS. The SDE shall provide caseloads,  
10          expenditures, allocations, unit costs, family fees,  
11          and other key variables and assumptions used in  
12          determining the sufficiency of state allocations.  
13          Detailed backup by month and on a county-by-  
14          county basis shall be provided to the DSS at least  
15          on a quarterly basis for comparisons with Stage  
16          1 trends.  
17       (c) By September 30 and March 30 of each year, the  
18          SDE shall ensure that detailed caseload and expend-  
19          iture data, through the most recent period for  
20          Stage 2 and Stage 3 along with all relevant assump-  
21          tions, is provided to DSS to facilitate budget de-  
22          velopment. The detailed data provided shall in-  
23          clude actual and projected monthly caseload from  
24          Stage 2 scheduled to time off of their transitional  
25          child care benefit from the last actual month re-  
26          ported by agencies through the next two fiscal  
27          years as well as local attrition experience. DSS  
28          shall utilize data provided by the SDE, including  
29          key variables from the prior fiscal year and the  
30          first two months of the current fiscal year, to  
31          provide coordinated estimates in November of  
32          each year for each of the three stages of care for  
33          preparation of the Governor’s Budget, and shall  
34          utilize data from at least the first two quarters of  
35          the current fiscal year, and any additional monthly  
36          data as they become available for preparation of  
37          the May Revision. The DSS shall share its assump-  
38          tions and methodology with the SDE in the  
39          preparation of the Governor’s Budget.

- 1 (d) The SDE shall coordinate with the DSS to identify  
2 annual general subsidized child care program ex-  
3 penditures for Temporary Assistance for Needy  
4 Families-eligible children. The SDE shall modify  
5 existing reporting forms as necessary to capture  
6 this data.
- 7 (e) The SDE shall provide to the DSS, upon request,  
8 access to the information and data elements nec-  
9 essary to comply with federal reporting require-  
10 ments and any other information deemed neces-  
11 sary to improve estimation of child care budgeting  
12 needs.
- 13 (f) On or before January 30, 2015, following consul-  
14 tation with the DSS, the SDE shall determine the  
15 adequacy of funding appropriated by the Legisla-  
16 ture for CalWORKs Stage 2 and Stage 3. If the  
17 SDE determines that the Stage 2 appropriation  
18 exceeds the current year caseload needs and the  
19 Stage 3 appropriation is not sufficient to fully  
20 fund its caseload need, then the SDE shall submit  
21 a request to the Department of Finance to transfer  
22 the excess funds from Schedule (1.5)(e), Cal-  
23 WORKs Stage 2 child care to Schedule (1.5)(f),  
24 CalWORKs Stage 3 child care. Notwithstanding  
25 Section 26.00 or any other provision of law, the  
26 Department of Finance may, at its discretion, ap-  
27 prove such a transfer.
- 28 (g) Notwithstanding any other provision of law or  
29 any other sections of this act, the Department of  
30 Finance may augment the appropriation for Cal-  
31 WORKs Stage 3 if the estimate of expenditures,  
32 as determined by the SDE, following consultation  
33 with the DSS, will exceed the expenditures autho-  
34 rized in Schedule (1.5)(f). The Department of Fi-  
35 nance shall report any augmentation pursuant to  
36 this paragraph to the Joint Legislative Budget  
37 Committee. At the time the report is made, the  
38 amount of the appropriation made in Schedule  
39 (1.5)(f) shall be increased by the amount of the  
40 augmentation.

- 1 (h) The Director of Finance may, pursuant to Provi-  
2 sions 8(f) and 8(g), authorize the augmentation  
3 of the amount available for expenditure in  
4 Schedule (1.5)(f) by making a transfer from  
5 Schedule (1.5)(e). An augmentation may be autho-  
6 rized not sooner than 30 days after notification in  
7 writing of the necessity to exceed the limitations  
8 is provided to the Joint Legislative Budget Com-  
9 mittee, or whatever lesser time the chairperson of  
10 the joint committee may determine. Any request  
11 made by the SDE to augment the CalWORKs  
12 Stage 3 appropriation shall be approved only in  
13 order to cover increases in costs that are consistent  
14 with assumptions of this act. This provision shall  
15 not be construed to treat Stage 3 as an entitlement.
- 16 9. Notwithstanding any other provision of law, the funds  
17 in Schedule (1.5)(f) are reserved exclusively for con-  
18 tinuing child care for the following: (a) former Cal-  
19 WORKs families who are working, have left cash aid,  
20 and have exhausted their two-year eligibility for tran-  
21 sitional services in either Stage 1 or Stage 2 pursuant  
22 to subdivision (c) of Section 8351 or Section 8353 of  
23 the Education Code, respectively, but still meet eligi-  
24 bility requirements for receipt of subsidized child care  
25 services, and (b) families who received lump-sum di-  
26 version payments or diversion services under Section  
27 11266.5 of the Welfare and Institutions Code and have  
28 spent two years in Stage 2 off of cash aid, but still  
29 meet eligibility requirements for receipt of subsidized  
30 child care services.
- 31 10. Notwithstanding any other provision of law, each local  
32 planning council receiving funds appropriated in  
33 Schedule (1.5)(n) shall meet the requirements of Sec-  
34 tion 8499.5 of the Education Code to the extent feasi-  
35 ble and to the extent data is readily accessible.
- 36 11. Notwithstanding any other provision of law, the imple-  
37 mentation of Provision 13 is not subject to the appeal  
38 and resolution procedures for agencies that contract  
39 with the State Department of Education for the provi-  
40 sion of child care services or the due process require-

- 1           ments afforded to families that are denied services
- 2           specified in Chapter 19 (commencing with Section
- 3           18000) of Division 1 of Title 5 of the California Code
- 4           of Regulations.
- 5        12. Notwithstanding the rulemaking provisions of the
- 6           Administrative Procedure Act (Chapter 3.5 (commenc-
- 7           ing with Section 11340) of Part 1 of Division 3 of Title
- 8           2 of the Government Code), the State Department of
- 9           Education may implement Provision 13 through
- 10          management bulletins or similar instructions.
- 11        13. Notwithstanding any other provision of law, families
- 12          shall be disenrolled from subsidized child care services
- 13          consistent with the priorities for services specified in
- 14          subdivision (b) of Section 8263 of the Education Code.
- 15          Families shall be disenrolled in the following order:
- 16          (a) families with the highest income below 70 percent
- 17          of the State Median Income (SMI) adjusted for family
- 18          size, (b) of families with the same income level, those
- 19          that have been receiving child care services for the
- 20          longest period of time, (c) of families with the same
- 21          income level, those that have a child with exceptional
- 22          needs, and (d) families with children who are receiving
- 23          child protective services or are at risk of being neglect-
- 24          ed or abused, regardless of family income.
- 25        14. Of the amount provided in Schedule (1.5)(a),
- 26          \$2,000,000 is available to provide 4,000 slots for
- 27          wraparound care for part-day state preschool, begin-
- 28          ning June 15, 2015.

30        ~~SEC. 15.~~

31        *SEC. 16.* Item 6110-195-0890 of Section 2.00 of the Budget  
32 Act of 2014 is amended to read:

33

34   6110-195-0890—For local assistance, Department of Education,	
35    Program 20.60-Instructional Support, Part A of Title II of	
36    the federal Elementary and Secondary Education Act (20	
37    U.S.C. Sec. 6621 et seq.; Teacher and Principal Training	
38    and Recruiting Fund), payable from the Federal Trust	
39    Fund.....	251,715,000

1	Schedule:	
2	(1) 20.60.280-Improving Teacher Quality	
3	Local Grants.....	240,206,000
4	(2) 20.60.190.300-California Subject Matter	
5	Projects.....	3,791,000
6	(3) 20.60.300-Improving Teacher Quality	
7	Higher Education Grants.....	6,618,000
8	(4) 20.60.301-Improving Teacher Quality	
9	State-Level Activities.....	500,000
10	(5) 20.60.302-Improving Teacher Quality	
11	State-Local Activities (Administrator	
12	Induction).....	600,000

- 13 Provisions:
- 14 1. The funds appropriated in Schedule (2) shall be
  - 15 transferred to the University of California, which shall
  - 16 use the funds for the Subject Matter Projects pursuant
  - 17 to Article 1 (commencing with Section 99200) of
  - 18 Chapter 5 of Part 65 of Division 14 of Title 3 of the
  - 19 Education Code.
  - 20 2. The funds appropriated in Schedule (3) shall be for
  - 21 local assistance activities for the Improving Teacher
  - 22 Quality Higher Education grants, funded through the
  - 23 federal No Child Left Behind Act of 2001 (P.L. 107-
  - 24 110).
  - 25 3. The funds appropriated in Schedule (4) shall be re-
  - 26 served for the professional development of private
  - 27 school teachers and administrators as required by Title
  - 28 II of the federal Elementary and Secondary Education
  - 29 Act (20 U.S.C. Sec. 6601 et seq.).
  - 30 4. Of the funds appropriated in Schedule (2), \$118,000
  - 31 is provided in one-time carryover for transfer to the
  - 32 University of California and shall be used for the
  - 33 Subject Matter Projects. None of these funds shall be
  - 34 used for additional indirect administrative costs.
  - 35 5. Of the funds appropriated in Schedule (2), \$106,000
  - 36 is provided in one-time carryover for transfer to the
  - 37 University of California and shall be used for the
  - 38 Subject Matter Projects. None of these funds shall be
  - 39 used for additional indirect administrative costs.

- 1       6. Of the funds appropriated in Schedule (3), \$271,000
- 2       is provided in one-time carryover for the Improving
- 3       Teacher Quality Higher Education Grants. None of
- 4       these funds shall be used for additional indirect admin-
- 5       istrative costs.
- 6       7. Of the funds appropriated in Schedule (5), \$600,000
- 7       is provided in one-time carryover funds for transfer
- 8       to the Commission on Teacher Credentialing for pur-
- 9       poses of Administrator Induction Programs that are
- 10      approved by the Commission on Teacher Credential-
- 11      ing. None of these funds shall be used by the Depart-
- 12      ment of Education for indirect administrative costs.

13  
14      ~~SEC. 16.~~

15      SEC. 17. Item 6110-196-0001 of Section 2.00 of the Budget  
16 Act of 2014 is amended to read:

17

18      6110-196-0001—For local assistance, Department of Education  
19      (Proposition 98), for transfer by the Controller to Section  
20      A of the State School Fund, for allocation by the Superin-  
21      tendent of Public Instruction to school districts, county  
22      offices of education, and other agencies for the purposes  
23      of part-day state preschool programs pursuant to Article 7  
24      (commencing with Section 8235) of Chapter 2 of Part 6 of  
25      Division 1 of Title 1 of the Education Code funded in this  
26      item, in lieu of the amount that otherwise would be appro-  
27      priated pursuant to any other statute..... 654,450,000

28      Schedule:

- 29      (1) 30.10.010-Special Program, Child De-
- 30      velopment, Preschool Education..... 579,450,000
- 31      (1.1) 30.10.011-Special Program, Child De-
- 32      velopment, Quality Rating Improve-
- 33      ment System Grants..... 50,000,000
- 34      (1.2) 30.10.012-Special Program, Child De-
- 35      velopment, Preschool Quality..... 25,000,000

36      Provisions:

- 37      2. Nonfederal funds appropriated in this item which have
- 38      been budgeted to meet the state’s Temporary Assis-
- 39      tance for Needy Families maintenance-of-effort require-
- 40      ment established pursuant to the federal Personal Re-

1 responsibility and Work Opportunity Reconciliation Act  
2 of 1996 (P.L. 104-193) may not be expended in any  
3 way that would cause their disqualification as a feder-  
4 ally allowable maintenance-of-effort expenditure.

- 5 3. The amount provided in Schedule (1) reflects an ad-  
6 justment to the base funding of 0.49 percent for an  
7 increase in the population of 0–4 year-olds.
- 8 4. The maximum standard reimbursement rate shall not  
9 exceed \$22.28 per day for state preschool programs.
- 10 5. Of the amount appropriated in Schedule (1), up to  
11 \$5,000,000 is available for the family literacy supple-  
12 mental grant provided to California state preschool  
13 programs pursuant to Section 8238.4 of the Education  
14 Code.
- 15 6. The amount provided in Schedule (1.1) is available  
16 for Quality Rating and Improvement System grants  
17 provided to state preschool programs pursuant to  
18 Section 8203.1 of the Education Code.
- 19 7. The amount provided in Schedule (1.2) is available  
20 for professional development and stipends for teacher  
21 education for transitional kindergarten and state  
22 preschool teachers. Priority for teacher education  
23 stipends is for transitional kindergarten teachers.  
24 Notwithstanding any other provision of law, the funds  
25 appropriated in this schedule shall be available for  
26 encumbrance until June 30, 2017.
- 27 8. Of the amount provided in schedule (1), \$1,000,000  
28 is available to provide 4,000 slots for part-day state  
29 preschool, beginning June 15, 2015.

30  
31 ~~SEC. 17.~~

32 *SEC. 18.* Item 6110-488 of Section 2.00 of the Budget Act of  
33 2014 is amended to read:

34  
35 6110-488—Reappropriation, Department of Education.  
36 Notwithstanding any other provision of law, the balances  
37 from the following items are available for reappropriation  
38 for the purposes specified in Provisions 1 to 6:  
39 0001—General Fund

- 1 (1) \$1,853,000 or whatever greater or lesser amount of  
2 the unexpended balance of the amount appropriated  
3 for the Charter School Facility Grant Program in Item  
4 6110-220-0001 pursuant to Section 5 of Chapter 3 of  
5 the 2009–10 Fourth Extraordinary Session, as  
6 amended by Chapter 31 of the 2009–10 Third Extraor-  
7 dinary Session.
- 8 (2) \$283,000 or whatever greater or lesser amount of the  
9 unexpended balance of the amount appropriated for  
10 Assessment Review and Reporting in Schedule (1) of  
11 Item 6110-113-0001 of the Budget Act of 2011 (Ch.  
12 33, Stats. 2011).
- 13 (3) \$208,000 or whatever greater or lesser amount of the  
14 unexpended balance of the amount appropriated for  
15 Educational Services for Foster Youth in Item 6110-  
16 119-0001 of the Budget Act of 2011 (Ch. 33, Stats.  
17 2011).
- 18 (4) \$20,000 or whatever greater or lesser amount of the  
19 unexpended balance of the amount appropriated for  
20 Economic Impact Aid in Item 6110-128-0001 of the  
21 Budget Act of 2011 (Ch. 33, Stats. 2011).
- 22 (5) \$12,524,000 or whatever greater or lesser amount of  
23 the unexpended balance of the amount appropriated  
24 for Special Education Programs for Exceptional Chil-  
25 dren in Schedule (1) of Item 6110-161-0001 of the  
26 Budget Act of 2011 (Ch. 33, Stats. 2011).
- 27 (6) \$1,396,000 or whatever greater or lesser amount of  
28 the unexpended balance of the amount appropriated  
29 for California Partnership Academies in Schedule (1)  
30 of Item 6110-166-0001 of the Budget Act of 2011 (Ch.  
31 33, Stats. 2011).
- 32 (7) \$31,000 or whatever greater or lesser amount of the  
33 unexpended balance of the amount appropriated for  
34 the Agricultural Career Technical Education Incentive  
35 Program in Item 6110-167-0001 of the Budget Act of  
36 2011 (Ch. 33, Stats. 2011).
- 37 (8) \$1,072,000 or whatever greater or lesser amount of  
38 the unexpended balance of the amount appropriated  
39 for child nutrition programs in Schedule (1) of Item

- 1           6110-203-0001 of the Budget Act of 2011 (Ch. 33,  
2           Stats. 2011).
- 3           (9) \$3,161,000 or whatever greater or lesser amount of  
4           the unexpended balance of the amount appropriated  
5           for the Quality Education Investment Act of 2006 in  
6           the 2011–12 fiscal year pursuant to Section 52055.770  
7           of the Education Code.
- 8           (10) \$12,000 or whatever greater or lesser amount of the  
9           unexpended balance of the amount appropriated for  
10          Home to School Transportation in Schedule (1) of  
11          Item 6110-111-0001 of the Budget Act of 2012 (Chs.  
12          21 and 29, Stats. 2012).
- 13          (11) \$799,000 or whatever greater or lesser amount of the  
14          unexpended balance of the amount appropriated for  
15          the Statewide Testing and Reporting Program in  
16          Schedule (2) of Item 6110-113-0001 of the Budget  
17          Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 18          (12) \$243,000 or whatever greater or lesser amount of the  
19          unexpended balance of the amount appropriated for  
20          the English Language Development Assessment in  
21          Schedule (3) of Item 6110-113-0001 of the Budget  
22          Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 23          (13) \$3,250,000 or whatever greater or lesser amount of  
24          the unexpended balance of the amount appropriated  
25          for Special Education Programs for Exceptional  
26          Children in Schedule (1) of Item 6110-161-0001 of  
27          the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 28          (13.5) \$31,000 or whatever greater or lesser amount of the  
29          unexpended balance of the amount appropriated for  
30          the Child Nutrition School Breakfast and Summer  
31          Food Service Program in Item 6110-201-0001 of  
32          the Budget Act of 2012 (Chs. 21 and 29, Stats.  
33          2012).
- 34          (14) \$6,600,000 or whatever greater or lesser amount of  
35          the unexpended balance of the amount appropriated  
36          for child nutrition programs in Schedule (1) of Item  
37          6110-203-0001 of the Budget Act of 2012 (Chs. 21  
38          and 29, Stats. 2012).
- 39          (15) \$213,000 or whatever greater or lesser amount of the  
40          unexpended balance of the amount appropriated for

- 1 the California High School Exit Examination assis-  
2 tance program in Item 6110-204-0001 of the Budget  
3 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 4 (16) \$4,000,000 or whatever greater or lesser amount of  
5 the unexpended balance of the amount appropriated  
6 for Instructional Support: Economic Impact Aid for  
7 Charter Schools in Schedule (2) of Item 6110-211-  
8 0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats.  
9 2012).
- 10 (17) \$2,673,000 or whatever greater or lesser amount of  
11 the unexpended balance of the amount appropriated  
12 for Categorical Programs for New Schools in Item  
13 6110-212-0001 of the Budget Act of 2012 (Chs. 21  
14 and 29, Stats. 2012).
- 15 (18) \$36,000 or whatever greater or lesser amount of the  
16 unexpended balance of the amount appropriated for  
17 Arts and Music Block Grant in Item 6110-265-0001  
18 of the Budget Act of 2012 (Chs. 21 and 29, Stats.  
19 2012).
- 20 (19) \$22,895,000 or whatever greater or lesser amount of  
21 the unexpended balance of the amount appropriated  
22 for Program 98-K-12 Mandated Programs Block  
23 Grant in Item 6110-296-0001 of the Budget Act of  
24 2012 (Chs. 21 and 29, Stats. 2012).
- 25 (20) \$1,090,000 or whatever greater or lesser amount of  
26 the unexpended balance of the amount appropriated  
27 for Supplemental Instruction, Remedial, Grades 7-12  
28 for the purposes of Section 37252 of the Education  
29 Code in Schedule (1) of Item 6110-104-0001 of the  
30 Budget Act of 2011 (Ch. 33, Stats. 2011), as amended  
31 by Section 50 of Chapter 7 of the Statutes of 2011.
- 32 (21) \$84,000 or whatever greater or lesser amount of the  
33 unexpended balance of the amount appropriated for  
34 Supplemental Instruction, Retained, or Recommended  
35 for Retention, Grades 2-9, for the purposes of Section  
36 37252.2 of the Education Code in Schedule (2) of  
37 Item 6110-104-0001 of the Budget Act of 2011 (Ch.  
38 33, Stats. 2011), as amended by Section 50 of Chapter  
39 7 of the Statutes of 2011.

- 1 (22) \$15,000 or whatever greater or lesser amount of the  
2 unexpended balance of the amount appropriated for  
3 Supplemental Instruction, Low STAR, Grades 2–6,  
4 for the purposes of Section 37252.8 of the Education  
5 Code in Schedule (3) of Item 6110-104-0001 of the  
6 Budget Act of 2011 (Ch. 33, Stats. 2011), as amended  
7 by Section 50 of Chapter 7 of the Statutes of 2011.
- 8 (23) \$64,000 or whatever greater or lesser amount of the  
9 unexpended balance of the amount appropriated for  
10 Supplemental Instruction, Core Academic K–12 for  
11 the purposes of Section 37253 of the Education Code  
12 in Schedule (4) of Item 6110-104-0001 of the Budget  
13 Act of 2011 (Ch. 33, Stats. 2011), as amended by  
14 Section 50 of Chapter 7 of the Statutes of 2011.
- 15 (24) \$9,169,000 or whatever greater or lesser amount of  
16 the unexpended balance of the amount appropriated  
17 for Preschool Education and Child Care Services in  
18 Schedule (1) of Item 6110-196-0001 of the Budget  
19 Act of 2011 (Ch. 33, Stats. 2011).
- 20 (25) \$12,011,000 or whatever greater or lesser amount of  
21 the unexpended balance of the amount appropriated  
22 for the After School Education and Safety Program  
23 in the 2011–12 fiscal year pursuant to Section 8384.5  
24 of the Education Code.
- 25 (26) \$9,531,000 or whatever greater or lesser amount of  
26 the unexpended balance of the amount appropriated  
27 for the After School Education and Safety Program  
28 in the 2012–13 fiscal year pursuant to Section 8384.5  
29 of the Education Code.
- 30 (27) \$100,000 or whatever greater or lesser amount of the  
31 unexpended balance of the amount appropriated for  
32 the Golden State Merit Diploma in Item 6110-679-  
33 0001 pursuant to Section 47 of Chapter 204 of the  
34 Statutes of 1996.
- 35 (28) \$45,757,000 or whatever greater or lesser amount of  
36 the unexpended balance of the amount appropriated  
37 for the Quality Education Investment Act of 2006 in  
38 the 2012–13 fiscal year pursuant to Section 52055.780  
39 of the Education Code.

- 1 (29) \$328,000 or whatever greater or lesser amount of the  
2 unexpended balance of the amount appropriated for  
3 Home to School Transportation, Small School District  
4 Bus Replacement in Schedule (2) of Item 6110-111-  
5 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).  
6 (30) \$1,893,000 or whatever greater or lesser amount of  
7 the unexpended balance of the amount appropriated  
8 for Adults in Correctional Facilities in Item 6110-158-  
9 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).  
10 (31) \$100,000 or whatever greater or lesser amount of the  
11 unexpended balance of the amount appropriated for  
12 the Early Education Program for Individuals with  
13 Exceptional Needs in Schedule (2) of Item 6110-161-  
14 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).  
15 (32) \$217,000 or whatever greater or lesser amount of the  
16 unexpended balance of the amount appropriated for  
17 “Clean” Technology Partnership Academies in  
18 Schedule (2.5) of Item 6110-166-0001 of the Budget  
19 Act of 2011 (Ch. 33, Stats. 2011).  
20 (33) \$48,000 or whatever greater or lesser amount of the  
21 unexpended balance of the amount appropriated for  
22 Categorical Programs for New Schools in Item 6110-  
23 212-0001 of the Budget Act of 2011 (Ch. 33, Stats.  
24 2011).  
25 (34) \$36,000 or whatever greater or lesser amount of the  
26 unexpended balance of the amount appropriated for  
27 Educational Services for Foster Youth in Item 6110-  
28 119-0001 of the Budget Act of 2012 (Chs. 21 and 29,  
29 Stats. 2012).  
30 (35) \$13,000 or whatever greater or lesser amount of the  
31 unexpended balance of the amount appropriated for  
32 Assessment Review and Reporting in Schedule (1) of  
33 Item 6110-113-0001 of the Budget Act of 2013 (Chs.  
34 20 and 354, Stats. 2013).  
35 (36) \$722,000 or whatever greater or lesser amount of the  
36 unexpended balance of the amount appropriated for  
37 Special Education Programs for Exceptional Children  
38 in Schedule (1) of Item 6110-161-0001 of the Budget  
39 Act of 2013 (Chs. 20 and 354, Stats. 2013).

- 1 (37) \$1,148,000 or whatever greater or lesser amount of  
2 the unexpended balance of the amount appropriated  
3 for Supplemental Instruction, Remedial, Grades 7–12  
4 for the purposes of Section 37252 of the Education  
5 Code in Schedule (1) of Item 6110-104-0001 of the  
6 Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as  
7 amended by Section 92 of Chapter 38 of the Statutes  
8 of 2012.
- 9 (38) \$95,000 or whatever greater or lesser amount of the  
10 unexpended balance of the amount appropriated for  
11 Supplemental Instruction, Retained, or Recommended  
12 for Retention, Grades 2–9, for the purposes of Section  
13 37252.2 of the Education Code in Schedule (2) of  
14 Item 6110-104-0001 of the Budget Act of 2012 (Chs.  
15 21 and 29, Stats. 2012), as amended by Section 92 of  
16 Chapter 38 of the Statutes of 2012.
- 17 (39) \$18,000 or whatever greater or lesser amount of the  
18 unexpended balance of the amount appropriated for  
19 Supplemental Instruction, Low STAR, Grades 2–6,  
20 for the purposes of Section 37252.8 of the Education  
21 Code in Schedule (3) of Item 6110-104-0001 of the  
22 Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as  
23 amended by Section 92 of Chapter 38 of the Statutes  
24 of 2012.
- 25 (40) \$73,000 or whatever greater or lesser amount of the  
26 unexpended balance of the amount appropriated for  
27 Supplemental Instruction, Core Academic K–12, for  
28 the purposes of Section 37253 of the Education Code  
29 in Schedule (4) of Item 6110-104-0001 of the Budget  
30 Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended  
31 by Section 92 of Chapter 38 of the Statutes of 2012.
- 32 (41) \$6,600,000 or whatever greater or lesser amount of  
33 the unexpended balance of the amount appropriated  
34 for Child Development, Preschool Education in  
35 Schedule (1) of Item 6110-196-0001 of the Budget  
36 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 37 (42) \$974,000 or whatever greater or lesser amount of the  
38 unexpended balance of the amount appropriated for  
39 the After School Education and Safety Program in the

- 1           2013–14 fiscal year pursuant to Section 8483.5 of the  
2           Education Code.
- 3           (43) \$38,000 or whatever greater or lesser amount of the  
4           unexpended balance of the amount appropriated for  
5           child nutrition programs in Item 6110-201-0001 of  
6           the Budget Act of 2011 (Ch. 33, Stats. 2011).
- 7           (44) \$8,991,000 or whatever greater or lesser amount of  
8           the unexpended balance of the amount appropriated  
9           for special education in Schedule (3) of Item 6110-  
10          485 of the Budget Act of 2011 (Ch. 33, Stats. 2011),  
11          as amended by Section 7 of Chapter 575 of the  
12          Statutes of 2012.
- 13          (45) \$3,000,000 or whatever greater or lesser amount of  
14          the unexpended balance of the amount appropriated  
15          for Adults in Correctional Facilities in Item 6110-158-  
16          0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats.  
17          2012).
- 18          (46) \$184,000 or whatever greater or lesser amount of the  
19          unexpended balance of the amount appropriated for  
20          adult education in Schedule (1) of Item 6110-156-  
21          0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011),  
22          as amended by Section 50 of Chapter 7 of the Statutes  
23          of 2011.
- 24          (47) \$41,000 or whatever greater or lesser amount of the  
25          unexpended balance of the amount appropriated for  
26          Specialized Secondary Programs in Item 6110-122-  
27          0001 of the Budget Act of 2013 (Chs. 20 and 354,  
28          Stats. 2013).
- 29          (48) \$10,225,000 or whatever greater or lesser amount of  
30          the unexpended balance of the amount appropriated  
31          for K–12 Mandated Programs Block Grant in Item  
32          6110-296-0001 of the Budget Act of 2013 (Chs. 20  
33          and 354, Stats. 2013).
- 34          (49) \$82,656,000 or whatever greater or lesser amount of  
35          the unexpended balance of the amount appropriated  
36          for the Quality Education Investment Act of 2006 in  
37          the 2013–14 fiscal year pursuant to Section 52055.780  
38          of the Education Code.
- 39          (50) \$73,000 or whatever greater or lesser amount of the  
40          unexpended balance of the amount appropriated for

1 adult education in Schedule (1) of Item 6110-156-  
2 0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats.  
3 2012), as amended by Section 92 of Chapter 38 of the  
4 Statutes of 2012.

5 Provisions:

- 6 1. The sum of \$5,546,000 is hereby reappropriated to the  
7 State Department of Education for transfer by the  
8 Controller to Section A of the State School Fund for  
9 allocation by the Superintendent of Public Instruction  
10 to support California School Information Services ac-  
11 tivities authorized pursuant to Schedule (1) of Item  
12 6110-140-0001.
- 13 2. The sum of \$827,000 is hereby reappropriated to the  
14 State Department of Education for transfer by the  
15 Controller to Section A of the State School Fund for  
16 allocation by the Superintendent of Public Instruction  
17 to local educational agencies for activities authorized  
18 pursuant to Schedule (2) of Item 6110-140-0001.
- 19 3. The sum of \$15,096,000 is hereby reappropriated to  
20 the State Department of Education for transfer by the  
21 Controller to Section A of the State School Fund for  
22 allocation by the Superintendent of Public Instruction  
23 for apportionment to reimburse the 2013–14 Adults  
24 in Correctional Facilities Program activities authorized  
25 pursuant to Item 6110-158-0001 of the Budget Act of  
26 2012 (Chs. 21 and 29, Stats. 2012). Of the amount  
27 appropriated in this provision, \$129,000 is to reflect  
28 a cost-of-living adjustment.
- 29 4. The sum of \$82,195,000 to the School Facilities Pro-  
30 gram for the purpose of funding the School Facilities  
31 Emergency Repair Account pursuant to Chapter 899  
32 of the Statutes of 2004.
- 33 7. The sum of \$113,351,000 is hereby reappropriated to  
34 the State Department of Education for transfer by the  
35 Controller to Section A of the State School Fund for  
36 allocation by the Superintendent of Public Instruction  
37 to school districts, county offices of education, and  
38 charter schools in proportion to their average daily  
39 attendance reported as of the second principal appor-  
40 tionment for the 2013–14 fiscal year, for the purposes

1 specified in subdivisions (c) and (d) of Section 17581.8  
2 of the Government Code, and in augmentation of the  
3 funds provided in subdivision (a) of Section 17581.8  
4 of the Government Code.

5 8. The sum of \$12,890,000 is hereby reappropriated to  
6 the State Department of Education for transfer by the  
7 Controller to Section A of the State School Fund for  
8 allocation by the Superintendent of Public Instruction  
9 for apportionment for special education programs  
10 pursuant to Part 30 (commencing with Section 56000)  
11 of Division 4 of Title 2 of the Education Code.

12 9. The sum of \$26,689,000 is hereby reappropriated to  
13 the State Department of Education for transfer by the  
14 Controller to Section A of the State School Fund for  
15 allocation by the Superintendent of Public Instruction  
16 to the K-12 High-Speed Network for the activities  
17 authorized pursuant to provisional language in Item  
18 6110-182-0001.

19  
20 ~~SEC. 18:~~

21 *SEC. 19.* Item 6440-001-0001 of Section 2.00 of the Budget  
22 Act of 2014 is amended to read:

23  
24 6440-001-0001—For support of University of California..... 2,985,671,000

25 Schedule:

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

27 Provisions:

28 1. This appropriation is exempt from Sections 6.00 and  
29 31.00.

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

33 (1) Projections of available resources in the  
34 2015–16, 2016–17, and 2017–18 fiscal years.  
35 In projecting General Fund appropriations  
36 and student tuition and fee revenues, the  
37 university shall use any assumptions provided  
38 by the Department of Finance. The Depart-  
39 ment of Finance shall provide any assump-  
40 tions no later than August 1, 2014.

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- (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 in-

- 1                   cluded in Section 66010.91 of the Education
- 2                   Code.
- 3       2.5. Of the funds appropriated in this item:
- 4           (a) \$4,000,000 shall be used for the centers for labor
- 5           research and education at the Berkeley and Los
- 6           Angeles campuses. Of this amount, \$2,000,000
- 7           is one-time funding.
- 8           (b) \$2,000,000 is one-time funding and shall be used
- 9           for the California Blueprint for Research to Ad-
- 10          vance Innovations in Neuroscience Act of 2014.
- 11          (c) \$770,000 shall be used for the Statewide
- 12          Database.
- 13       3. (a) The University of California shall allocate from
- 14          this appropriation the amount necessary to pay in
- 15          full the fees anticipated to become due and
- 16          payable during the fiscal year associated with
- 17          lease-revenue bonds issued by the State Public
- 18          Works Board on its behalf that have been defeased
- 19          and the amount of general obligation bond debt
- 20          service attributable to the university.
- 21          (b) The Controller shall transfer funds from this ap-
- 22          propriation upon receipt of the following reports:
- 23               (1) The State Public Works Board shall report
- 24               to the Controller the fees anticipated to be-
- 25               come due and payable in the fiscal year asso-
- 26               ciated with lease-revenue bonds that were
- 27               issued on behalf of the university that have
- 28               been defeased.
- 29               (2) The Department of Finance shall report to
- 30               the Controller the amount of general obliga-
- 31               tion bond debt service anticipated to become
- 32               due and payable in the fiscal year attributable
- 33               to the university.
- 34               (3) The State Public Works Board or the Depart-
- 35               ment of Finance shall submit a revised report
- 36               if either entity determines that an amount
- 37               previously reported to the Controller is inac-
- 38               curate based on revised estimates or actual
- 39               amounts. If necessary pursuant to any revised
- 40               reports, the Controller shall return funds to

1 this appropriation. Any returned funds that  
2 were previously transferred pursuant to this  
3 subdivision shall be available for expenditure  
4 until June 30, 2016.

5 4. Payments made by the state to the University of Cali-  
6 fornia for each month from July through April shall  
7 not exceed one-twelfth of the amount appropriated in  
8 this item, less the amount that is allocated pursuant to  
9 subdivision (a) of Provision 3. Transfers of funds  
10 pursuant to subdivision (b) of Provision 3 shall not be  
11 considered payments made by the state to the univer-  
12 sity.

13 5. The funds appropriated in this item shall not be avail-  
14 able to support auxiliary enterprises or intercollegiate  
15 athletic programs.

16 6. Of the funds appropriated in this item, \$50,000,000 is  
17 available for one-time purposes, including deferred  
18 maintenance. The amount allocated pursuant to this  
19 provision shall be available for encumbrance or expen-  
20 diture until June 30, 2016. It is the intent of the Legis-  
21 lature that, if the economy continues to recover and  
22 General Fund revenues exceed projections, the aug-  
23 mentation provided in this provision shall become on-  
24 going beginning in the 2015–16 fiscal year for the  
25 purpose of increasing enrollment of California students  
26 and improving student services.

27  
28 ~~SEC. 19.~~

29 *SEC. 20.* Item 6610-001-0001 of Section 2.00 of the Budget  
30 Act of 2014 is amended to read:

31  
32 6610-001-0001—For support of California State University.... 2,742,273,000

33 Schedule:

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

35 Provisions:

36 1. This appropriation is exempt from Sections 6.00 and  
37 31.00 but is subject to the applicable sections of the  
38 Government Code referred to in subdivision (a) of  
39 Section 31.00.

- 1           2. (a) The Trustees of the California State University  
 2               shall approve a plan that includes at least all of  
 3               the following:
- 4               (1) Projections of available resources in the  
 5                     2015–16, 2016–17, and 2017–18 fiscal years.  
 6                     In projecting General Fund appropriations  
 7                     and student tuition and fee revenues, the  
 8                     university shall use any assumptions provided  
 9                     by the Department of Finance. The Depart-  
 10                    ment of Finance shall provide any assump-  
 11                    tions no later than August 1, 2014.
- 12              (2) Projections of expenditures in the 2015–16,  
 13                     2016–17, and 2017–18 fiscal years and de-  
 14                     scriptions of any changes to current opera-  
 15                     tions necessary to ensure that expenditures  
 16                     in each of those years are not greater than the  
 17                     available resources projected for each of  
 18                     those years pursuant to paragraph (1).
- 19              (3) Projections of resident and non-resident en-  
 20                     rollment in the 2015–16, 2016–17, and  
 21                     2017–18 academic years, assuming implemen-  
 22                     tation of any changes described in paragraph  
 23                     (2).
- 24              (4) The university’s goals for each of the perfor-  
 25                     mance measures listed in subdivision (b) of  
 26                     Section 89295 of the Education Code for the  
 27                     2015–16, 2016–17, and the 2017–18 academ-  
 28                     ic years, assuming implementation of any  
 29                     changes described in paragraph (2). It is the  
 30                     intent of the Legislature that these goals be  
 31                     challenging and quantifiable, address  
 32                     achievement gaps for underrepresented pop-  
 33                     ulations, and align the educational attainment  
 34                     of California’s adult population to the work-  
 35                     force and economic needs of the state, pur-  
 36                     suant to the legislative intent expressed in  
 37                     Section 66010.93 of the Education Code.
- 38              (b) The plan approved pursuant to subdivision (a)  
 39                     shall be submitted, no later than November 30,  
 40                     2014, to the Director of Finance, the chairpersons

1 of the committees in each house of the Legislature  
2 that consider the State Budget, the chairpersons  
3 of the budget subcommittees in each house of the  
4 Legislature that consider the budget for the Cali-  
5 fornia State University, the chairpersons of the  
6 committees in each house of the Legislature that  
7 consider appropriations, and the chairpersons of  
8 the policy committees in each house of the Legis-  
9 lature with jurisdiction over bills relating to the  
10 university. The plan shall adhere to the goals in-  
11 cluded in Section 66010.91 of the Education  
12 Code.

- 13 3. (a) The California State University shall allocate from  
14 this appropriation the amount necessary to pay in  
15 full all amounts anticipated to become due and  
16 payable during the fiscal year for rental, fees, and  
17 insurance associated with lease-revenue bonds  
18 issued by the State Public Works Board on its  
19 behalf and general obligation bond debt service  
20 attributable to the University.
- 21 (b) The Controller shall transfer funds from this ap-  
22 propriation upon receipt of the following reports:
- 23 (1) The State Public Works Board shall report  
24 to the Controller the rental, fees, and insur-  
25 ance anticipated to become due and payable  
26 in the fiscal year associated with its lease-  
27 revenue bonds issued on behalf of the Univer-  
28 sity.
- 29 (2) The Department of Finance shall report to  
30 the Controller the amount of general obliga-  
31 tion bond debt service anticipated to become  
32 due and payable in the fiscal year attributable  
33 to the University.
- 34 (3) The State Public Works Board or the Depart-  
35 ment of Finance shall submit a revised report  
36 if either entity determines that an amount  
37 previously reported to the Controller is inac-  
38 curate based on revised estimates or actual  
39 amounts. If necessary pursuant to any revised  
40 reports, the Controller shall return funds to

- 1                   this appropriation. Any returned funds that
- 2                   were previously transferred pursuant to this
- 3                   subdivision shall be available for expenditure
- 4                   until June 30, 2016.
- 5           4.   Payments made by the state to the California State
- 6                   University for each month from July through April
- 7                   shall not exceed one-twelfth of the amount appropriat-
- 8                   ed in this item, less the amount that is allocated pur-
- 9                   suant to subdivision (a) of Provision 3. Transfers of
- 10                   funds pursuant to subdivision (b) of Provision 3 shall
- 11                   not be considered payments made by the state to the
- 12                   University.
- 13           5.   Contributions to the Public Employees’ Retirement
- 14                   Fund are charged to this appropriation pursuant to
- 15                   Section 20822 of the Government Code.
- 16           6.   The Director of Finance has the authority to adjust this
- 17                   appropriation pursuant to Section 3.60, as well as
- 18                   Section 89762 of the Education Code.
- 19           7.   Of the funds appropriated in this item, \$50,000,000 is
- 20                   available for one-time purposes, including deferred
- 21                   maintenance. The amount allocated pursuant to this
- 22                   provision shall be available for encumbrance or expen-
- 23                   diture until June 30, 2016. It is the intent of the Legis-
- 24                   lature that, if the economy continues to recover and
- 25                   General Fund revenues exceed projections, the aug-
- 26                   mentation provided in this provision shall become on-
- 27                   going beginning in the 2015–16 fiscal year for the
- 28                   purpose of increasing enrollment of California students
- 29                   and improving student services.

31   ~~SEC. 20.~~

32   SEC. 21. Item 6870-101-0001 of Section 2.00 of the Budget  
33 Act of 2014 is amended to read:

34

35	6870-101-0001—For local assistance, Board of Governors	
36	of the California Community Colleges (Proposition	
37	98).....	3,130,232,000
38	Schedule:	
39	(1) 10.10.010-Apportionments.....	2,059,128,000
40	(3) 10.10.020-Apprenticeship.....	7,174,000

1	(3.5) 10.10.021-Apprenticeship Training and	
2	Instruction.....	15,694,000
3	(4) 10.10.030-Growth for Apportion-	
4	ments.....	140,385,000
5	(5) 20.10.004-Student Success for Basic	
6	Skills Students.....	20,037,000
7	(6) 20.10.005-Student Financial Aid Admin-	
8	istration.....	69,421,000
9	(7) 20.10.020-Disabled Students.....	114,223,000
10	(8) 20.10.045-Special Services for Cal-	
11	WORKs Recipients.....	34,545,000
12	(9) 20.10.060-Foster Care Education Pro-	
13	gram.....	5,254,000
14	(10) 20.10.070-Matriculation.....	271,683,000
15	(11) 20.20.020-Academic Senate for the	
16	Community Colleges.....	468,000
17	(12) 20.20.041-Equal Employment Opportu-	
18	nity pursuant to Chapter 1169, Statutes	
19	2002.....	767,000
20	(13) 20.20.050-Part-time Faculty Health In-	
21	surance.....	490,000
22	(14) 20.20.051-Part-time Faculty Compensa-	
23	tion.....	24,907,000
24	(15) 20.20.055-Part-time Faculty Office	
25	Hours.....	3,514,000
26	(16) 20.30.011-Telecommunications and	
27	Technology Services.....	21,790,000
28	(17) 20.30.050-Economic Development....	72,929,000
29	(18) 20.30.070-Transfer Education and Ar-	
30	ticulation.....	698,000
31	(19) 20.40.026-Physical Plant and Instruc-	
32	tional Support.....	148,000,000
33	(20) 20.10.010-Extended Opportunity Pro-	
34	grams and Services and Special Ser-	
35	vices.....	88,605,000
36	(21) 20.30.045-Fund for Student Success....	3,792,000
37	(23) 20.80.010-Campus Child Care Tax	
38	Bailout.....	3,350,000
39	(24) 20.95.010-Nursing Program Support....	13,378,000
40	(25) 10.10.025-Adult Education.....	0

- 1 (26) 10.10.050-Expanding the Delivery of
- 2 Courses through Technology..... 10,000,000
- 3 Provisions:
- 4 1. The funds appropriated in this item are for transfer by
- 5 the Controller during the 2014–15 fiscal year to Sec-
- 6 tion B of the State School Fund.
- 7 2. The funds appropriated in Schedule (1) for apportion-
- 8 ments include \$31,409,000 to encourage district-level
- 9 accountability efforts pursuant to Section 84754.5 of
- 10 the Education Code. It is intended that the Office of
- 11 the Chancellor of the California Community Colleges
- 12 submit an annual report on district-specific account-
- 13 ability measures by March 31 of each year. This report
- 14 shall reflect the outcomes from the most recently
- 15 completed fiscal year for which data is available pur-
- 16 suant to Section 84754.5 of the Education Code.
- 17 3. Notwithstanding any other provision of law, apportion-
- 18 ment funding for community college districts shall be
- 19 based on the greater of the current year or prior year
- 20 level of full-time equivalent students (FTES), consis-
- 21 tent with K–12 declining enrollment practices pursuant
- 22 to Section 42238.5 of the Education Code. Decreases
- 23 in FTES shall result in a revenue reduction at the dis-
- 24 trict’s average level of apportionment funding per
- 25 FTES and shall be made in the year following the ini-
- 26 tial year of decrease in FTES.
- 27 4. Of the funds appropriated in Schedule (1), Apportion-
- 28 ments:
- 29 (a) Up to \$100,000 is for a maintenance allowance,
- 30 pursuant to Section 54200 of Title 5 of the Cali-
- 31 fornia Code of Regulations.
- 32 (b) Up to \$500,000 is to reimburse colleges for the
- 33 costs of federal aid repayments related to assessed
- 34 fees for fee waiver recipients. This reimbursement
- 35 only applies to students who completely withdraw
- 36 from college before the census date pursuant to
- 37 Section 58508 of Title 5 of the California Code
- 38 of Regulations.
- 39 5. Notwithstanding any other provision of law, the
- 40 Chancellor of the California Community Colleges

- 1 shall not reduce district workload obligations for a  
2 lack of a funded cost-of-living adjustment.
- 3 6. (a) The amount appropriated in Schedule (3) for the  
4 Apprenticeship Program shall be available as  
5 necessary upon certification by the Chancellor of  
6 the California Community Colleges for the pur-  
7 pose of funding community college-related and  
8 supplemental instruction pursuant to Section 3074  
9 of the Labor Code, as provided in Article 3  
10 (commencing with Section 79140) of Chapter 9  
11 of Part 48 of Division 7 of Title 3 of the Education  
12 Code. No community college district shall use  
13 funds available under this provision to offer any  
14 new apprenticeship training program or the expan-  
15 sion of any existing program unless the new pro-  
16 gram or expansion has been approved by the  
17 chancellor.
- 18 (b) Notwithstanding Article 3 (commencing with  
19 Section 79140) of Chapter 9 of Part 48 of Division  
20 7 of Title 3 of the Education Code, each 60-  
21 minute hour of teaching time devoted to each in-  
22 dentured apprentice enrolled in and attending  
23 classes of related and supplemental instruction as  
24 provided under Section 3074 of the Labor Code  
25 shall be reimbursed at the rate of \$5.04 per hour.  
26 For purposes of this provision, each hour of  
27 teaching time may include up to 10 minutes for  
28 passing time and breaks.
- 29 7. Funds appropriated in Schedule (4), Growth for Ap-  
30 portionments, shall be available first to any districts  
31 bringing online newly accredited colleges or education-  
32 al centers. It is the intent of the Legislature that increas-  
33 es in basic foundation allocations to each college be  
34 funded prior to additional growth in full-time equiva-  
35 lent students. The Chancellor of the California Com-  
36 munity Colleges shall provide a report by November  
37 1 of each year, to the Department of Finance and the  
38 Legislative Analyst, on the number of new centers and  
39 colleges added for the current fiscal year and those  
40 anticipated to be added for the prospective budget

- 1 year. This report shall also detail the specific funding  
2 adjustments provided for basic foundation allocations  
3 to each college and center for the current fiscal year.
- 4 8. (a) Notwithstanding any other provision of law, funds  
5 appropriated in Schedule (4), Growth for Appor-  
6 tionments, shall only be allocated for growth in  
7 full-time equivalent students (FTES), on a district-  
8 by-district basis, as determined by the Chancellor  
9 of the California Community Colleges. The  
10 chancellor shall not include any FTES from con-  
11 current enrollment in physical education, dance,  
12 recreation, study skills, and personal development  
13 courses and other courses in conflict with existing  
14 law for the purpose of calculating a district's  
15 three-year overcap adjustment.
- 16 (b) The Board of Governors of the California Com-  
17 munity Colleges shall adopt criteria and an alloca-  
18 tion formula for the funds appropriated in Sched-  
19 ular (4), Growth for Apportionments, so as to en-  
20 sure that access to courses in the California  
21 Community Colleges' missions related to student  
22 needs for transfer, basic skills and vocational/work-  
23 force training are aligned to regional and commu-  
24 nity needs to the maximum extent possible. When  
25 formulating the allocation, the board of governors  
26 shall consider, at minimum, the priorities as out-  
27 lined in Section 84750.5 of the Education Code.
- 28 9. The funds appropriated in Schedule (5), Student Suc-  
29 cess for Basic Skills Students, shall be allocated as  
30 follows:
- 31 (a) \$969,000 for faculty and staff development to  
32 improve curriculum, instruction, student services,  
33 and program practices in the areas of basic skills  
34 and English as a Second Language (ESL) pro-  
35 grams. The Office of the Chancellor of the Cali-  
36 fornia Community Colleges shall select a district,  
37 utilizing a competitive process, to carry out these  
38 faculty and staff development activities. All col-  
39 leges receiving funds pursuant to subdivision (b)  
40 shall be provided with the opportunity to partici-

- 1           pate in the faculty and staff development programs  
2           specified in this subdivision. The chancellor shall  
3           report on the use of these funds by the selected  
4           district to the Legislative Analyst and the Depart-  
5           ment of Finance not later than September 1 of  
6           each year.
- 7           (b) \$19,068,000 for allocation by the chancellor to  
8           community college districts for improving out-  
9           comes of students who enter college needing at  
10          least one course in ESL or basic skills, with partic-  
11          ular emphasis on students transitioning from  
12          high school.
- 13          (c) Funding specified in subdivisions (a) and (b) shall  
14          be distributed to eligible applicants pursuant to  
15          Chapter 489 of the Statutes of 2007.
- 16          (d) The Office of the Chancellor of the California  
17          Community Colleges shall work jointly with the  
18          Department of Finance and the Legislative Ana-  
19          lyst to evaluate and refine, as necessary, the annu-  
20          al accountability measures for this program. It is  
21          the intent of the Legislature that annual perfor-  
22          mance accountability measures for this program  
23          utilize, to the extent possible, data available as  
24          part of the accountability system developed pur-  
25          suant to Section 84754.5 of the Education Code.  
26          By September 1, 2010, the chancellor shall submit  
27          a report to the Governor and the Legislature on  
28          basic skills accountability using system- and col-  
29          lege-level data and an annual report each year  
30          thereafter by September 1.
- 31          10. (a) Of the funds appropriated in Schedule (6) for  
32          Student Financial Aid Administration, not less  
33          than \$15,363,000 is available to provide \$0.91  
34          per unit reimbursement to community college  
35          districts for the provision of board of governors  
36          (BOG) fee waiver awards pursuant to paragraph  
37          (2) of subdivision (m) of Section 76300 of the  
38          Education Code.
- 39          (b) Of the funds appropriated in Schedule (6), not  
40          less than \$15,532,000 is available for the Board

1 Financial Assistance Program to provide reim-  
2 bursement of 2 percent of total waiver value to  
3 community college districts for the provision of  
4 BOG fee waiver awards pursuant to paragraph  
5 (2) of subdivision (m) of Section 76300 of the  
6 Education Code.

7 (c) Funding provided to community college districts  
8 in subdivisions (a) and (b) is provided to directly  
9 offset any mandated costs claimed by community  
10 college districts pursuant to Commission on State  
11 Mandates Test Claims 99-TC-13 (Enrollment Fee  
12 Collection) and 00-TC-15 (Enrollment Fee  
13 Waivers).

14 (d) (1) Of the amount appropriated in Schedule (6),  
15 \$2,800,000 shall be for a contract with a  
16 community college district to conduct a  
17 statewide media campaign to promote the  
18 general message to prospective students as  
19 follows: (A) the California Community Col-  
20 leges (CCC) remain affordable, (B) financial  
21 aid tax credits are available to cover enroll-  
22 ment fees and help with books and other  
23 costs, and (C) the active encouragement of  
24 contact between pupils and local CCC finan-  
25 cial aid offices. Any funds used from this  
26 source to produce radio, television, or mail  
27 campaigns must emphasize the availability  
28 of financial aid, the easiest and most reliable  
29 method of accessing the aid, a contact tele-  
30 phone number, an Internet Web site address,  
31 where applicable, and the physical location  
32 of a financial aid office. Any mail campaign  
33 must give priority to existing pupils, recent  
34 high school graduates, and 12th graders. The  
35 outreach and information campaign should  
36 target its efforts in high schools, welfare of-  
37 fices, unemployment offices, churches,  
38 community centers, and any other location  
39 that will most effectively reach low-income  
40 and disadvantaged students who must over-

1           come barriers in accessing postsecondary  
2           education. The community college district  
3           awarded the contract shall consult with the  
4           Chancellor of the California Community  
5           Colleges and the Student Aid Commission  
6           prior to performing any activities to ensure  
7           appropriate coordination with any other state  
8           efforts in this area and ensure compliance  
9           with this provision.

10           (2) Of the amount appropriated in Schedule (6),  
11           not more than \$34,200,000 shall be for direct  
12           contact with potential and current financial  
13           aid applicants. Each CCC campus shall re-  
14           ceive a minimum allocation of \$50,000. The  
15           remainder of the funding shall be allocated  
16           to campuses based upon a formula reflecting  
17           full-time equivalent students (FTES)  
18           weighted by a measure of low-income popu-  
19           lations demonstrated by BOG fee waiver  
20           program participation within a district. It is  
21           the intent of the Legislature, to the extent that  
22           funds are provided in this item, that all cam-  
23           puses provide additional staff resources to  
24           increase both financial aid participation and  
25           student access to low-income and disadvan-  
26           taged students who must overcome barriers  
27           in accessing postsecondary education. Funds  
28           may be used for screening current students  
29           for possible financial aid eligibility and offer-  
30           ing personal assistance to these students in  
31           accessing financial aid, providing individual  
32           help in multiple languages for families and  
33           students in filling out the necessary paper-  
34           work to apply for financial aid, and increas-  
35           ing financial aid staff to process additional  
36           financial aid forms.

37           (3) Funding provided to community college dis-  
38           tricts in paragraph (2) is provided to offset  
39           any mandated costs claimed by community  
40           college districts pursuant to the Commission

1 on State Mandates Test Claims 02-TC-28  
 2 (Cal Grants) and 02-TC-21 (Tuition Fee  
 3 Waivers).

4 (4) Funds allocated to a community college dis-  
 5 trict for financial aid personnel, outreach de-  
 6 termination of financial need, and delivery  
 7 of student financial aid services shall supple-  
 8 ment, and shall not supplant, the level of  
 9 funds allocated for the administration of stu-  
 10 dent financial aid programs during the  
 11 2001–02 or 2006–07 fiscal year, whichever  
 12 is greater.

13 (5) It is the intent of the Legislature that the Of-  
 14 fice of the Chancellor of the California  
 15 Community Colleges provide the Legislature  
 16 with a report not later than April 1 of each  
 17 year on the use of the funds allocated pur-  
 18 suant to paragraphs (1) and (2), including the  
 19 distribution of the funds, specific uses of the  
 20 funds, strategies employed to reach low-in-  
 21 come and disadvantaged students potentially  
 22 eligible for financial aid, and the extent to  
 23 which districts were successful in increasing  
 24 the number of students accessing financial  
 25 aid, particularly the maximum Pell Grant  
 26 award.

27 (6) It is the intent of the Legislature that the  
 28 chancellor report by May 15 of each year, in  
 29 the manner and using the factors set forth in  
 30 paragraph (5) of subdivision (c) of Provision  
 31 11 of Item 6870-101-0001 of the Budget Act  
 32 of 2007 (Chs. 171 and 172, Stats. 2007), on  
 33 the impact of outreach efforts on student  
 34 headcount and FTES enrollment for the  
 35 2009–10 and 2010–11 academic years.

36 (e) Notwithstanding subdivision (m) of Section 76300  
 37 of the Education Code or any other provision of  
 38 law, the amount of funds appropriated for the  
 39 purpose of administering fee waivers for the

- 1                   2014–15 fiscal year shall be determined in this  
2                   act.
- 3       11. (a) The funds appropriated in Schedule (7) for the  
4                   Disabled Students Program are for assisting dis-  
5                   tricts in funding the excess direct instructional  
6                   cost of providing special support services or in-  
7                   struction, or both, to disabled students enrolled at  
8                   community colleges, and for state hospital pro-  
9                   grams, as mandated by federal law.
- 10       (b) Of the amount appropriated in Schedule (7), no  
11                   less than \$3,945,000 shall be used to address de-  
12                   ficiencies identified by the federal Office for  
13                   Civil Rights (OCR), as determined by the Office  
14                   of the Chancellor of the California Community  
15                   Colleges.
- 16       (c) Of the amount appropriated in Schedule (7), at  
17                   least \$943,000 shall be used for support of the  
18                   High Tech Centers for activities including, but  
19                   not limited to, training of district employees, staff,  
20                   and students in the use of specialized computer  
21                   equipment for the disabled. All High Tech Centers  
22                   shall meet standards developed by the Office of  
23                   the Chancellor of the California Community  
24                   Colleges. Colleges that receive these augmenta-  
25                   tions shall not supplant existing resources provid-  
26                   ed to the centers.
- 27       (d) Notwithstanding any other provision of law, of  
28                   the funds appropriated in Schedule (7), \$1,000,000  
29                   shall be for state hospital adult education pro-  
30                   grams at the hospitals served by the Coast and  
31                   Kern Community College Districts since the  
32                   1986–87 fiscal year. If adult education services  
33                   at any of the two hospitals are not supported by  
34                   the community colleges in any portion of the  
35                   2014–15 fiscal year, remaining funds shall, upon  
36                   order of the Department of Finance, after 30 days’  
37                   notice to the Chairperson of the Joint Legislative  
38                   Budget Committee, be transferred to the State  
39                   Department of Developmental Services (DDS).  
40                   For any transfer of funds to DDS during the

1 2014–15 fiscal year, the Proposition 98 base  
2 funding levels for community colleges and DDS  
3 shall be adjusted accordingly.

4 (e) Of the funds appropriated in Schedule (7) for the  
5 Disabled Student Services, no less than  
6 \$9,600,000 shall be allocated to support high-cost  
7 sign language interpreter services and real-time  
8 captioning equipment or other communication  
9 accommodations for hearing-impaired students  
10 based on a 4-to-1 state-to-local district match.

11 12. The funds appropriated in Schedule (8), Special Ser-  
12 vices for CalWORKs Recipients, are for the purpose  
13 of assisting welfare recipient students and those in  
14 transition off of welfare to achieve long-term self-  
15 sufficiency through coordinated student services of-  
16 fered at community colleges, including workstudy,  
17 other educational related work experience, job place-  
18 ment services, child care services, and coordination  
19 with county welfare offices to determine eligibility  
20 and availability of services. All services funded in  
21 Schedule (8) shall be for current CalWORKs recipients  
22 or prior CalWORKs recipients who are in transition  
23 off of cash assistance for no more than two years.  
24 Current cash-assistance recipients may utilize these  
25 services until their initial educational objectives are  
26 met. Former recipients in transition off of cash assis-  
27 tance may utilize these services for a period of up to  
28 two years after leaving cash assistance subject to the  
29 conditions of this provision. These funds shall be used  
30 to supplement and not supplant existing funds and  
31 services provided for CalWORKs recipients attending  
32 community colleges. The Chancellor of the California  
33 Community Colleges shall develop an equitable  
34 method for allocating funds to all districts and colleges  
35 based on the relative numbers of CalWORKs recipients  
36 in attendance and shall allocate funds for the following  
37 purposes:

38 (a) Job placement.

- 1 (b) Coordination with county welfare offices and
- 2 other local agencies, including local workforce
- 3 investment boards.
- 4 (c) Curriculum development and redesign.
- 5 (d) Child care and workstudy.
- 6 (e) Instruction.
- 7 (f) Postemployment skills training and related skills.
- 8 (g) Campus-based case management, limited to on-
- 9 campus assistance and services not provided by
- 10 county case workers that do not supplant other
- 11 counseling and academic support services funded
- 12 through existing California Community Colleges
- 13 categorical programs.

14 Of the amount appropriated in Schedule (8),  
15 \$9,188,000 is for child care and does not require a  
16 district match. For the remaining funds, districts shall,  
17 as a condition of receipt of these funds, provide a \$1  
18 match for every \$1 provided by the state.

19 Funds utilized for subsidized child care shall be for  
20 children of CalWORKs recipients through campus-  
21 based centers or parental choice vouchers at rates and  
22 with rules consistent with those applied to related  
23 programs operated by the State Department of Educa-  
24 tion in the 2014–15 fiscal year, including eligibility,  
25 reimbursement rates, and parental contribution  
26 schedules. Subsidized campus child care for Cal-  
27 WORKs recipients may be provided during the period  
28 they are engaged in qualifying state and federal work  
29 activities through attainment of their initial education  
30 and training plan and for up to three months thereafter  
31 or until the end of the academic year, whichever period  
32 of time is greater.

33 Funds utilized for workstudy shall be used solely  
34 for payments to employers that currently participate  
35 in campus-based workstudy programs or are providing  
36 work experiences that are directly related to and in  
37 furtherance of student educational programs and work  
38 participation requirements, provided that those pay-  
39 ments may not exceed 75 percent of the wage for the  
40 workstudy positions, and the employers shall pay at

1 least 25 percent of the wage for the workstudy posi-  
2 tions. These funds may be expended only if the total  
3 hours of education, employment, and workstudy for  
4 the student are sufficient to meet state or federal min-  
5 imum requirements for qualifying work-related activ-  
6 ities.

7 Funds may be used to provide credit or noncredit  
8 classes for CalWORKs students if a district has com-  
9 mitted all of its funded full-time equivalent students  
10 (FTES) and is unable to offer the additional instruc-  
11 tional services to meet the demand for CalWORKs  
12 students. This determination shall be based on fall  
13 enrollment information. Districts shall submit applica-  
14 tions to the office of the chancellor by December 1 of  
15 each year. If the chancellor approves the use of funds  
16 for direct instructional workload, the Office of the  
17 Chancellor shall submit a report to the Department of  
18 Finance and the Joint Legislative Budget Committee  
19 by February 15 of each year that (a) identifies the en-  
20 rollment of new CalWORKs students, (b) states  
21 whether and why additional classes were needed to  
22 accommodate the needs of CalWORKs students, and  
23 (c) sets forth an expenditure plan for the balance of  
24 funds.

25 As a condition of receipt of the funds appropriated  
26 in Schedule (8), by the fourth week following the end  
27 of the semester or quarter term commencing in January  
28 2015, participating community districts and colleges  
29 shall submit to the office of the chancellor a report, in  
30 the format specified by the chancellor in consultation  
31 with the State Department of Social Services, that in-  
32 cludes, but is not limited to, the funded components,  
33 the number of hours of child care provided, the average  
34 monthly enrollment of CalWORKs dependents served  
35 in child care, the number of workstudy hours provided,  
36 the hourly salaries and type of jobs, the number of  
37 students being case managed, the short-term programs  
38 available, the student participation rates, and other  
39 outcome data. It is intended that, to the extent practi-  
40 cable, reporting from colleges utilize data gathered for

1 federal reporting requirements at the state and local  
2 level. Further, it is intended that the office of the  
3 chancellor compile the information for annual reports  
4 to the Legislature, the Governor, the Legislative Ana-  
5 lyst, the Department of Finance, and the State Depart-  
6 ment of Social Services by February 15 of each year.

7 First priority for expenditures of any funds appropri-  
8 ated in Schedule (8) shall be in support of current  
9 CalWORKs recipients. However, if caseloads are in-  
10 sufficient to fully utilize all of the funding in this  
11 schedule in a cost-beneficial way, it is intended that  
12 up to \$5,000,000 of the funds subject to local matching  
13 requirements may be allocated for providing postem-  
14 ployment services to former CalWORKs recipients  
15 who have been off of cash assistance for no longer  
16 than two years to assist them in upgrading skills, job  
17 retention, and advancement. Allowable services in-  
18 clude direct instruction that cannot be funded under  
19 available growth funding, child care to support atten-  
20 dance in these classes consistent with this provision,  
21 job development and placement services, and career  
22 counseling and assessment activities that cannot be  
23 funded through other programs. Child care services  
24 may only be provided for periods commensurate with  
25 a student's need for postemployment training within  
26 the two-year transitional period.

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

38 If a district is unable to fully expend its share of child  
39 care funds, it may request that the Office of the  
40 Chancellor approve a reallocation to other CalWORKs

1 purposes authorized by this provision, subject to all  
2 pertinent limitations and district match required for  
3 these purposes under this provision.

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

10 13. Funds appropriated in Schedule (8) for the Special  
11 Services for CalWORKs Recipients Program have  
12 been budgeted to meet the state’s Temporary Assis-  
13 tance for Needy Families maintenance-of-effort require-  
14 ment pursuant to the federal Personal Responsibility  
15 and Work Opportunity Reconciliation Act of 1996  
16 (P.L. 104-193) and may not be expended in any way  
17 that would cause their disqualification as a federally  
18 allowable maintenance-of-effort expenditure.

19 14. (a) Funds provided in Schedule (9) for the Foster  
20 Care Education Program shall be allocated to  
21 provide foster and relative/kinship care education  
22 and training. Districts shall ensure that education  
23 and training required by Sections 1529.1 and  
24 1529.2 of the Health and Safety Code and Section  
25 16003 of the Welfare and Institutions Code re-  
26 ceive priority. Districts may use any remaining  
27 funds for additional parenting skills training.

28 (b) Funds provided in Schedule (9) shall be used for  
29 foster parent and relative/kinship care provider  
30 education training services consistent with the  
31 following criteria:

32 (1) The Chancellor of the California Community  
33 Colleges shall use these funds exclusively  
34 for foster parent and relative/kinship care  
35 provider education and training, as specified  
36 by the chancellor in consultation with an ad-  
37 visory committee that includes foster parents,  
38 representatives of statewide foster parent or-  
39 ganizations, parent and relative/kinship care

- 1 providers, and representatives from the State  
2 Department of Social Services.
- 3 (2) Acceptance of funds under this program shall  
4 constitute agreement by the district to comply  
5 with such reporting requirements, guidelines,  
6 and other conditions for receipt of funding  
7 as the chancellor may establish.
- 8 (3) Each college plan for foster and relative/kin-  
9 ship care education programs shall include  
10 the provision of training to facilitate the de-  
11 velopment of foster family homes, small  
12 family homes, and relative/kinship homes to  
13 care for no more than six children who have  
14 special mental, emotional, developmental, or  
15 physical needs.
- 16 (4) The State Department of Social Services shall  
17 facilitate the participation of county welfare  
18 departments in the foster and relative/kinship  
19 care education program.
- 20 15. (a) Funds appropriated in Schedule (10) for the Ma-  
21 triculation Program are for the purpose of student  
22 matriculation pursuant to Article 1 (commencing  
23 with Section 78210) of Chapter 2 of Part 48 of  
24 Division 7 of Title 3 of the Education Code.
- 25 (b) Of the amount appropriated in Schedule (10),  
26 \$9,381,000 shall be allocated to community col-  
27 lege districts on a one-to-one matching funds basis  
28 to provide matriculation services, including, but  
29 not limited to, orientation, assessment, and coun-  
30 seling, for students enrolled in designated noncred-  
31 it classes and programs who may benefit most, as  
32 determined by the Chancellor of the California  
33 Community Colleges pursuant to Sections 78216  
34 and 78218 of the Education Code.
- 35 (c) Of the funds appropriated in Schedule (10), up to  
36 \$14,000,000 may be used by the Chancellor of  
37 the California Community Colleges for the pur-  
38 pose of procuring or developing E-Transcript, E-  
39 Planning, and common assessment tools. Prior to  
40 the expenditure of these funds, the Chancellor of

1 the California Community Colleges shall submit  
 2 a proposed expenditure plan to the Department  
 3 of Finance and to the Joint Legislative Budget  
 4 Committee.

5 (d) (1) Notwithstanding any other provision of law,  
 6 of the amount appropriated in Schedule (10),  
 7 \$70,000,000 shall be for the purpose of sup-  
 8 porting the activities necessary to successful-  
 9 ly implement the activities and goals as de-  
 10 tailed in the Student Equity Plans, pursuant  
 11 to Subchapter 4 (commencing with Section  
 12 54220) of Chapter 5 of Division 6 of Title 5  
 13 of the California Code of Regulations, in co-  
 14 ordination with the Student Success and  
 15 Support Program plans, pursuant to Section  
 16 78216 of the Education Code, and the Student  
 17 Success Scorecard, pursuant to Section  
 18 84754.5 of the Education Code.

19 (2) The Chancellor of the California Community  
 20 Colleges shall allocate these funds to districts  
 21 in a manner that ensures districts with a  
 22 greater proportion or number of students who  
 23 are high need, as determined by the Office  
 24 of the Chancellor, receive greater resources  
 25 to provide services to these students.

26 (3) As a condition of receipt of these funds, the  
 27 districts are required to include in their Stu-  
 28 dent Equity Plan how they will coordinate  
 29 existing student support services in a manner  
 30 to better serve their high-need student popu-  
 31 lations. At a minimum, their plan shall  
 32 demonstrate alignment of services funded  
 33 through allocations from Schedules (5), (6),  
 34 (7), (8), (10), (20), and (21).

35 (e) (1) Of the amount appropriated in Schedule (10),  
 36 up to \$2,500,000 may be used by the Chan-  
 37 cellor of the California Community Colleges  
 38 for the purpose of providing technical assis-  
 39 tance to districts that demonstrate low perfor-  
 40 mance in any area of operations. It is the in-

1           tent of the Legislature that technical assis-  
2           tance providers be contracted in a cost-effec-  
3           tive manner, that they primarily consist of  
4           experts who are current and former employ-  
5           ees of the California Community Colleges,  
6           and that they provide technical assistance in  
7           a manner that is consistent with the vision  
8           for the California Community Colleges. Be-  
9           ginning in the 2015–16 fiscal year, the  
10          Chancellor of the California Community  
11          Colleges shall provide a report of prior year  
12          use of these funds, including whether they  
13          were used in accordance with the aforemen-  
14          tioned legislative intent, to the Department  
15          of Finance and the Joint Legislative Budget  
16          Committee no later than October 1 of each  
17          year.

18          (2) Technical assistance initiated by the Chancel-  
19          lor of the California Community Colleges  
20          may be provided at no cost to the district.  
21          Technical assistance requested by the district  
22          shall require at least a \$1 match for every \$2  
23          provided by the state, as determined by the  
24          Office of the Chancellor.

25          16. The funds in Schedule (14) for the Part-time Faculty  
26          Compensation Program shall be allocated solely to  
27          increase compensation for part-time faculty from the  
28          amounts previously authorized. Funds shall be distribut-  
29          ed to districts based on the total actual full-time  
30          equivalent students served in the previous fiscal year  
31          and include a small district factor as determined by  
32          the Chancellor of the California Community Colleges.  
33          These funds are to be used to assist districts in making  
34          part-time faculty salaries more comparable to full-time  
35          salaries for similar work, as determined through each  
36          district’s local collective bargaining process. These  
37          funds shall not supplant the amount of resources each  
38          district used to compensate part-time faculty or be  
39          used to exceed parity of each part-time faculty em-  
40          ployed by each district with regular full-time faculty

1 at the same district, as certified by the chancellor. If  
2 a district achieves parity, its allocation may be used  
3 for any other educational purpose.

4 17. (a) \$20,651,000 of the funds provided in Schedule  
5 (16) for the Telecommunications and Technology  
6 Services Program shall be for the purpose of  
7 supporting technical and application innovations  
8 and for coordination of activities that serve to  
9 maximize the utility of the technology investments  
10 of the community college system towards improv-  
11 ing learning outcomes. Allocations shall be made  
12 by the Chancellor of the California Community  
13 Colleges, based on criteria and guidelines as de-  
14 veloped by the chancellor, on a competitive basis  
15 through the RFA/RFP application process for the  
16 following purposes:

17 (1) Provision of access to statewide multimedia  
18 hosting and delivery services for state col-  
19 leges and districts.

20 (2) Provision of systemwide Internet, audio  
21 bridging, and telephony.

22 (3) Technical assistance and planning, coopera-  
23 tive purchase agreements, and faculty and  
24 staff development in a manner consistent with  
25 paragraph (3) of subdivision (b) of Provision  
26 17 of Item 6870-101-0001 of the Budget Act  
27 of 1996 (Ch. 162, Stats. 1996).

28 (4) Ongoing support for the California Virtual  
29 Campus Distance Education Program.

30 (5) Ongoing support for programs designed to  
31 use technology in assisting accreditation and  
32 the alignment of curricula across K–20 seg-  
33 ments in California.

34 (6) Support for technology pilots and ongoing  
35 technology programs and applications that  
36 serve to maximize the utility and economy  
37 of scale of the technology investments of the  
38 community college system towards improv-  
39 ing learning outcomes.

1 (7) Support for the Student Friendly Services  
2 Program.

3 In addition, a portion of the funds provided in  
4 this subdivision shall be available for allocations  
5 to districts. It is the intent of the Legislature that  
6 these funds be used by colleges to maintain the  
7 technology capabilities specified in subdivision  
8 (a) of Provision 21 of Item 6870-101-0001 of the  
9 Budget Act of 2003 (Ch. 157, Stats. 2003). These  
10 funds shall not supplant existing funds used for  
11 those purposes, and colleges shall match mainte-  
12 nance and ongoing costs with other funds as pro-  
13 vided by subdivision (a) of Provision 21 of Item  
14 6870-101-0001 of the Budget Act of 2003 (Ch.  
15 157, Stats. 2003).

16 (b) The Office of the Chancellor of the California  
17 Community Colleges shall develop the reporting  
18 criteria for all programs funded by this item and  
19 shall submit that for review along with an annual  
20 progress report on program implementation to the  
21 Legislative Analyst and the Department of Fi-  
22 nance no later than December 1 of each year.  
23 Reporting shall include summaries of allocations  
24 and expenditures by program and by district,  
25 where applicable.

26 (c) Of the funds provided in Schedule (16),  
27 \$1,139,000 is for ongoing support and expansion  
28 of the California Partnership for Achieving Stu-  
29 dent Success (Cal-PASS) program. As a condition  
30 of receipt of these funds, the grantee shall submit  
31 to the office of the chancellor, by October 15 of  
32 each year, all of the following: (1) a report that  
33 includes the numbers and percentages of institu-  
34 tions and school districts that have signed agree-  
35 ments and the number and percentage that have  
36 actively submitted data in the current year and (2)  
37 an annual financial audit, as prescribed by the  
38 chancellor, that includes an accounting of all  
39 funding sources and all uses of funds by funding  
40 source. The report and audit also shall be submit-

1           ted to the Legislative Analyst, the Department of  
 2           Finance, and the appropriate budget subcommit-  
 3           tees of the budget committees of each house of  
 4           the Legislature. It is the intent of the Legislature  
 5           that all reporting requirements contained in this  
 6           subdivision shall be completed using funds pro-  
 7           vided to the grantee.

8           18. Of the amount appropriated in Schedule (17) for the  
 9           Economic and Workforce Development Program,  
 10          pursuant to Part 52.2 (commencing with Section  
 11          88600) of Division 7 of Title 3 of the Education Code,  
 12          the following shall apply:

13          (a) Up to 10 percent may be allocated for state level  
 14          technical assistance activities in support of the  
 15          intent of Chapter 361 of the Statutes of 2012, in-  
 16          cluding statewide network leadership, organiza-  
 17          tional development, coordination, information  
 18          and support services, or other program purposes.  
 19          Any augmentation to state level activities funding  
 20          is subject to approval of the Department of Fi-  
 21          nance, not sooner than 30 days after the notifica-  
 22          tion in writing to the chairpersons of the fiscal  
 23          committees of each house of the Legislature and  
 24          the Chairperson of the Joint Legislative Budget  
 25          Committee.

26          (b) All remaining funds shall be allocated for program-  
 27          ming that target investment at priority and emer-  
 28          gent sectors, including statewide and/or regional  
 29          centers, hubs, collaborative communities, advisory  
 30          bodies, and short-term grants. Short-term grants  
 31          can include industry-driven regional education  
 32          and training, Responsive Incumbent Worker  
 33          Training, and Job Development Incentive Train-  
 34          ing.

35          (c) Prior to the expenditure of these funds, the  
 36          Chancellor of the California Community Colleges  
 37          shall submit a proposed expenditure plan and the  
 38          rationale therefor, to the Department of Finance  
 39          for approval. The expenditure plan shall include  
 40          the following:

- 1 (1) A statewide and regional delivery system.
- 2 (2) A targeting of investments to competitive
- 3 and emergent sectors important to regional
- 4 economies as well as use of short-term grants
- 5 to meet employer-driven training needs.
- 6 (3) Program support to increase the impact of
- 7 college career technical education (CTE)
- 8 programs (including contextualized CTE
- 9 programs) on regional economies; statewide
- 10 accountability data collection and perfor-
- 11 mance evaluation; statewide training, devel-
- 12 opment, and coordination; labor market re-
- 13 search; and continuous program improve-
- 14 ments.
- 15 (d) The following provisions apply to the expendi-
- 16 tures of these funds:
- 17 (1) Funds applied to performance-based training
- 18 shall be matched by a minimum of \$1 of pri-
- 19 vate business and industry funding for each
- 20 \$1 of state funds. The Chancellor of the Cal-
- 21 ifornia Community Colleges shall consider
- 22 the level of involvement and financial com-
- 23 mitments of business and industry in making
- 24 awards for performance-based training.
- 25 (2) Funds allocated by the Chancellor of the
- 26 California Community Colleges under this
- 27 program may not be used by community
- 28 college districts to supplant existing contract
- 29 education offerings. The chancellor shall en-
- 30 sure that funds are spent only for expanded
- 31 services and shall implement accountability
- 32 reporting for districts receiving these funds
- 33 to ensure that training, credit, and noncredit
- 34 programs remain relevant to business needs.
- 35 (3) Any funds that become available due to sav-
- 36 ings, discontinuance, or reduction of amounts
- 37 shall be evaluated against labor market needs
- 38 and regional economies for reallocation
- 39 within the economic and workforce develop-
- 40 ment program.

- 1 (e) Fiscal agents of program funds intended to serve  
2 statewide or regional functions do not have author-  
3 ity to flex program funds. The Office of the  
4 Chancellor may adjust allocations, as necessary,  
5 to preclude this action.
- 6 (f) (1) \$50,000,000 of the funds appropriated in  
7 Schedule (17) shall be provided on a one-time  
8 basis to create greater incentive for California  
9 Community Colleges to develop, enhance,  
10 retool, and expand quality career technical  
11 education offerings that build upon existing  
12 community college regional capacity to re-  
13 spond to regional labor market needs. Funds  
14 may be used for equipment, curriculum devel-  
15 opment, professional development, and other  
16 related costs necessary to develop, enhance,  
17 retool, and expand quality career technical  
18 education offerings.
- 19 (2) The Chancellor of the California Community  
20 Colleges shall allocate these funds to the  
21 community college regions based on a formu-  
22 la that factors in the total number of full-time  
23 equivalent students, including full-time  
24 equivalent students in career technical educa-  
25 tion courses. The Chancellor of the California  
26 Community Colleges shall, in consultation  
27 with community colleges within each region,  
28 designate either the district then serving as  
29 the fiscal agent for the regional consortia or  
30 an alternative district to serve as the fiscal  
31 agent for these funds.
- 32 (3) The funds shall be distributed by the fiscal  
33 agent to the California Community College  
34 districts within the region for career technical  
35 education programs that are developed with  
36 industry input, matched by industry re-  
37 sources, and adopted by faculty upon certifi-  
38 cation by the regional consortia. The courses  
39 or programs of study for which the funds are

- 1 requested shall meet all of the following cri-  
2 teria:
- 3 (A) Be for occupations and sectors that are  
4 demonstrated to be in demand in the regional  
5 labor market.
  - 6 (B) Be for occupations for which regional produc-  
7 tion of employees is insufficient to meet labor  
8 market demand.
  - 9 (C) Demonstrate regional alignment of program  
10 and curricula.
- 11 (4) Priority for funding shall go to programs that  
12 meet all of the criteria listed in paragraph (3)  
13 and that meet one or more of the following  
14 criteria:
- 15 (A) Are in priority sectors identified by the re-  
16 gion.
  - 17 (B) Are in emerging sectors identified by the re-  
18 gion.
  - 19 (C) Are articulated with K-12 or four year insti-  
20 tutions.
- 21 (5) Individual colleges and districts shall be re-  
22 sponsible for identifying eligible programs  
23 and their faculty, implementing courses and  
24 programs to meet regional capacity needs,  
25 participating in regional coordination efforts,  
26 articulating with K-12 and four year institu-  
27 tions, and submitting outcome data to the  
28 Chancellor of the California Community  
29 Colleges.
- 30 (6) The regional consortia shall be responsible  
31 for certifying labor market demand with input  
32 from regional employers and essential work-  
33 force and economic development partners,  
34 prioritizing investment of funds according to  
35 industry sections and occupations, and ensur-  
36 ing regional coordination.
- 37 (7) The district designated as the fiscal agent in  
38 each region shall be responsible for distribut-  
39 ing the funds to each district within its region  
40 following certification by the regional consor-

- 1                   tia that the courses and programs submitted
- 2                   by the districts and colleges for funding meet
- 3                   the criteria listed in this subdivision (f).
- 4           (8) The Chancellor of the California Community
- 5           Colleges shall be responsible for administer-
- 6           ing the distribution of funds to the fiscal
- 7           agents for each region and monitoring
- 8           progress toward meeting regional and
- 9           statewide career technical education needs.
- 10   19. (a) The funds appropriated in Schedule (18) for the
- 11       Transfer Education and Articulation Program are
- 12       available to support transfer and articulation
- 13       projects and common course numbering projects.
- 14       (b) Funding provided to community college districts
- 15       from Schedule (18) is provided to directly offset
- 16       any mandated costs claimed by community col-
- 17       lege districts pursuant to Chapter 737 of the
- 18       Statutes of 2004.
- 19   20. (a) Any funds appropriated in Schedule (19) are
- 20       available for the following purposes:
- 21       (1) Scheduled maintenance and special repairs
- 22       of facilities. The Chancellor of the California
- 23       Community Colleges shall allocate funds to
- 24       districts on the basis of actual reported full-
- 25       time equivalent students (FTES), and may
- 26       establish a minimum allocation per district.
- 27       As a condition for receiving and expending
- 28       these funds for maintenance or special re-
- 29       pairs, a district shall certify that it will in-
- 30       crease its operations and maintenance
- 31       spending from the 1995–96 fiscal year by the
- 32       amount it allocates from this appropriation
- 33       for maintenance and special repairs. The
- 34       question of whether a district has complied
- 35       with its resolution shall be reviewed under
- 36       the annual audit of that district.
- 37       (2) Hazardous substances abatement, cleanup,
- 38       and repairs.
- 39       (3) Architectural barrier removal projects that
- 40       meet the requirements of the federal Ameri-

1                   cans with Disabilities Act of 1990 (42 U.S.C.  
2                   Sec. 12101 et seq.) and seismic retrofit  
3                   projects limited to \$400,000.

4           (b) Any funds appropriated in Schedule (19) are  
5           available for replacement of instructional equip-  
6           ment and library materials. The funds provided  
7           for instructional equipment and library materials  
8           shall not be used for personal services costs or  
9           operating expenses. The chancellor shall allocate  
10           funds to districts on the basis of actual reported  
11           FTES and may establish a minimum allocation  
12           per district. The question of whether a district has  
13           complied with its resolution shall be reviewed  
14           under the annual audit of that district.

15           (c) Any funds appropriated in Schedule (19) shall be  
16           available for one-time use in the 2014–15 fiscal  
17           year.

18   21. Of the funds appropriated in Schedule (20) for Extend-  
19       ed Opportunity Programs and Services and Special  
20       Services, \$79,273,000 is for Extended Opportunity  
21       Programs and Services (EOPS) in accordance with  
22       Article 8 (commencing with Section 69640) of Chapter  
23       2 of Part 42 of Division 5 of Title 3 of the Education  
24       Code. Funds provided in this item for EOPS shall be  
25       available to students on all campuses within the Cali-  
26       fornia Community Colleges system, including those  
27       students on new campuses or in new districts. In addi-  
28       tion, \$9,332,000 is for funding, at all colleges, the  
29       Cooperative Agencies Resources for Education  
30       (CARE) program in accordance with Article 4 (com-  
31       mencing with Section 79150) of Chapter 9 of Part 48  
32       of Division 7 of Title 3 of the Education Code. The  
33       Board of Governors of the California Community  
34       Colleges shall allocate funds on a priority basis to local  
35       programs on the basis of need for student services.

36   22. Of the funds appropriated in Schedule (20) for the  
37       Extended Opportunity Programs and Services and  
38       Special Services, no less than \$4,972,000 shall be  
39       available to support additional textbook assistance  
40       grants to community college students as an allowable

- 1 expenditure consistent with paragraph (10) of subdivi-  
 2 sion (b) of Section 69648 of the Education Code. In  
 3 addition, these funds shall not supplant the amount of  
 4 resources used for textbook grants in the 2001–02  
 5 fiscal year.
- 6 23. The funds appropriated in Schedule (21) for the Fund  
 7 for Student Success are for additional targeted student  
 8 services, to be expended as follows:
- 9 (a) \$1,183,000 is for the Puente Project to support up  
 10 to 75 colleges. These funds are available if  
 11 matched by \$200,000 of private funds and the  
 12 participating community colleges and University  
 13 of California campuses maintain their 1995–96  
 14 fiscal year support level for the Puente Project.  
 15 All funding shall be allocated directly to partici-  
 16 pating districts in accordance with their participa-  
 17 tion agreement.
- 18 (b) Up to \$1,515,000 is for the Mathematics, Engi-  
 19 neering and Science Achievement (MESA) pro-  
 20 gram. For each \$1 allocated, the recipient district  
 21 shall provide \$1 in matching funds.
- 22 (c) No less than \$1,094,000 is for the Middle College  
 23 High School Program. With the exception of fully  
 24 compliant special part-time students at the com-  
 25 munity colleges pursuant to Sections 48802 and  
 26 76001 of the Education Code, student workload  
 27 based on participation in the Middle College High  
 28 School Program shall not be eligible for commu-  
 29 nity college state apportionment. Further, no  
 30 community college state apportionment shall be  
 31 made available for physical education classes,  
 32 noncredit classes, nor other courses specified in  
 33 Provision 8.
- 34 24. Pursuant to Sections 69648.5, 78216, and 84850, and  
 35 subdivision (b) of Section 87108, of the Education  
 36 Code, the Board of Governors of the California Com-  
 37 munity Colleges may allocate funds appropriated in  
 38 Schedules (7), (10), (12), and (20) by grant or contract,  
 39 or through the apportionment process, to one or more  
 40 districts for the purpose of providing program evalua-

- 1           tion, accountability, monitoring, or program develop-  
2           ment services, as appropriate under the applicable  
3           statute.
- 4       25. The funds appropriated in Schedule (23) for the  
5       Campus Child Care Tax Bailout shall be allocated by  
6       the Chancellor of the California Community Colleges  
7       to community college districts that levied child care  
8       permissive override taxes in the 1977–78 fiscal year  
9       pursuant to Sections 8329 and 8330 of the Education  
10      Code in an amount proportional to the property tax  
11      revenues, tax relief subventions, and state aid required  
12      to be made available by the district to its child care  
13      and development program for the 1979–80 fiscal year  
14      pursuant to Section 30 of Chapter 1035 of the Statutes  
15      of 1979, increased or decreased by any cost-of-living  
16      adjustment granted in subsequent fiscal years. These  
17      funds shall be used only for the purpose of community  
18      college child care and development programs.
- 19      26. With regard to the funds appropriated in Schedule  
20      (24), Nursing Program Support, all of the following  
21      shall apply:
- 22           (a) \$8,475,000 shall be used to provide support for  
23           nursing program enrollment and equipment needs  
24           consistent with paragraph (2) of subdivision (a)  
25           of Section 2 of Chapter 514 of the Statutes of  
26           2001. Funding for nursing enrollment shall pro-  
27           vide a marginal increase in funding in addition to  
28           the amount provided for each full-time equivalent  
29           student for regular growth in apportionments.
- 30           (b) \$4,903,000 shall be used to provide diagnostic  
31           and support services, preentry coursework, alter-  
32           native program delivery model development, and  
33           other services to reduce the incidence of student  
34           attrition in nursing programs.
- 35           (c) Funds shall be allocated according to the follow-  
36           ing criteria:
- 37               (1) The degree to which the funds provided  
38               would be used to increase student enrollment  
39               in nursing programs beyond the level of full-

- 1 time equivalent students served in the
- 2 2011–12 academic year.
- 3 (2) The district’s level of attrition from nursing
- 4 programs and the suitability of planned ex-
- 5 penditures to address attrition levels.
- 6 (3) The degree to which funds provided would
- 7 be used to support infrastructure or equip-
- 8 ment needs with the intent of building capac-
- 9 ity and increasing the number of nursing
- 10 students served.
- 11 (4) For districts with attrition rates of 15 percent
- 12 or more, new funding shall focus on attrition
- 13 reduction. For districts with attrition rates
- 14 below 15 percent, new funding shall focus
- 15 on enrollment expansion.
- 16 (d) On or before March 1 of each year, the Chancellor
- 17 of the California Community Colleges shall pro-
- 18 vide the Legislature and the Department of Fi-
- 19 nance with a report on the allocation of funding.
- 20 For each district receiving funding under this item,
- 21 the report shall include all of the following: (1)
- 22 the amount of funding received, (2) the number
- 23 of nursing full-time equivalent students served in
- 24 the 2006–07 academic year, and the additional
- 25 number of nursing full-time equivalent students
- 26 served with funding provided in this item in each
- 27 subsequent year, (3) the district’s attrition and
- 28 completion rates in the 2006–07 academic year
- 29 and subsequent years, (4) any equipment or infras-
- 30 tructure-related items acquired with the funds
- 31 appropriated in this item, and (5) the number of
- 32 new and existing faculty receiving annual stipend
- 33 awards.
- 34 27. Notwithstanding any other provision of law, the
- 35 Chancellor of the California Community Colleges
- 36 shall allocate categorical funds as specified in legisla-
- 37 tion enacted in 2009 and as amended in 2010. Pursuant
- 38 to the conditions specified in that legislation, districts
- 39 may utilize funds allocated from Schedules (11), (12),
- 40 (13), (14), (15), (17), (18), and (23) as further specified

- 1 in that legislation. Notwithstanding this provision and  
2 subdivision (b) of Section 84043 of the Education  
3 Code, the chancellor may adjust allocations, as neces-  
4 sary, for funding provided pursuant to Schedules (11),  
5 (17), and (18) in support of statewide or regional  
6 functions.
- 7 28. Funding provided to community college districts in  
8 Schedule (1) is provided to directly offset any mandat-  
9 ed costs claimed by community college districts for  
10 the Minimum Conditions for State Aid (02-TC-25 and  
11 02-TC-31) mandated program as determined by the  
12 Commission on State Mandates.
- 13 29. (a) The amount appropriated in Schedule (3.5) for  
14 the Apprenticeship Training and Instruction shall  
15 be available as necessary upon certification by  
16 the Chancellor of the California Community  
17 Colleges for the purpose of funding local educa-  
18 tional agency related and supplemental instruction  
19 pursuant to Section 3074 of the Labor Code, as  
20 provided in Article 8 (commencing with Section  
21 8150) of Chapter 1 of Part 6 of Division 1 of Title  
22 1 of the Education Code. A local educational  
23 agency shall not use funds available under this  
24 provision to offer any new apprenticeship training  
25 program or the expansion of any existing program  
26 unless the new program or expansion has been  
27 approved by the Division of Apprenticeship  
28 Standards.
- 29 (b) Notwithstanding Article 8 (commencing with  
30 Section 8150) of Chapter 1 of Part 6 of Division  
31 1 of Title 1 of the Education Code, each hour of  
32 teaching time devoted to each indentured appren-  
33 tice enrolled in and attending classes of related  
34 and supplemental instruction, as provided pur-  
35 suant to Section 3074 of the Labor Code, shall be  
36 reimbursed at the rate of \$5.04 per hour. For pur-  
37 poses of this provision, each hour of teaching time  
38 may include up to 10 minutes for passing time  
39 and breaks.

- 1           30. (a) The amount appropriated in Schedule (26) for  
 2           Expanding the Delivery of Courses through  
 3           Technology shall be allocated to the Chancellor  
 4           of the California Community Colleges and used  
 5           to increase the number of courses available to  
 6           matriculated undergraduates, and, to the extent  
 7           possible, high school students seeking college  
 8           credits, through the use of technology and to  
 9           provide alternative methods for students to earn  
 10          college credit. For online-only courses, the chan-  
 11          cellor shall ensure, to the extent possible, that the  
 12          courses selected for this purpose can be articulated  
 13          across all community college districts and shall  
 14          additionally ensure that students enrolling and  
 15          successfully completing these courses are granted  
 16          degree-applicable cross-campus transfer credit.  
 17          The chancellor shall also ensure that these online-  
 18          only courses are made available to students sys-  
 19          temwide, regardless of the campus where they are  
 20          enrolled. The Legislature’s intent is to maximize  
 21          the development of online courses available across  
 22          campuses to alleviate shortages of certain core  
 23          courses at certain campuses.
- 24          (b) These funds shall be used for those courses that  
 25          have the highest demand, fill quickly, and are  
 26          prerequisites for many different degrees. By  
 27          March 1, 2015, the chancellor shall submit a re-  
 28          port to the Department of Finance and the Joint  
 29          Legislative Budget Committee detailing the use  
 30          of these funds and any outcomes that may be at-  
 31          tributed to their use. The report shall include the  
 32          proposed use of these funds in the 2015–16 fiscal  
 33          year.
- 34          31. The Chancellor of the California Community Colleges  
 35          shall report annually to both the Department of Finance  
 36          and the Joint Legislative Budget Committee, no later  
 37          than September 30, on the status of recouping funds  
 38          owed to the state from the Desert Community College  
 39          District.  
 40

1 ~~SEC. 21.~~

2 *SEC. 22.* Item 7100-001-0514 of Section 2.00 of the Budget  
3 Act of 2014 is amended to read:

4

5 7100-001-0514—For support of Employment Development  
6 Department, for payment to Item 7100-001-0870, payable  
7 from the Employment Training Fund..... 73,193,000

8 Provisions:

9 1. Upon order of the Director of Finance, funds disencum-  
10 bered from Employment Training Fund training con-  
11 tracts during the 2014–15 fiscal year that have not re-  
12 verted as of July 1, 2014, may be appropriated in  
13 augmentation of this item.

14 2. Notwithstanding subparagraph (B) of paragraph (2)  
15 of subdivision (a) of Section 10206 of the Unemploy-  
16 ment Insurance Code, the Employment Training Pan-  
17 el’s administrative costs may exceed 15 percent of the  
18 amount appropriated in this item.

19

20 ~~SEC. 22.~~

21 *SEC. 23.* Item 7100-001-0870 of Section 2.00 of the Budget  
22 Act of 2014 is amended to read:

23

24 7100-001-0870—For support of Employment Development  
25 Department, payable from the Unemployment Administra-  
26 tion Fund—Federal..... 584,593,000

27 Schedule:

28 (1) 10-Employment and Employment-Re-  
29 lated Services..... 180,765,000

30 (2) 21-Tax Collections and Benefit Pay-  
31 ments..... 810,781,000

32 (3) 22-California Unemployment Insurance  
33 Appeals Board..... 68,167,000

34 (4) 30.01-General Administration..... 52,969,000

35 (5) 30.02-Distributed General Administra-  
36 tion..... -50,983,000

37 (6) 50-Employment Training Panel..... 70,632,000

38 (7) Reimbursements..... -26,145,000

39 (8) Amount payable from the General  
40 Fund (Item 7100-001-0001)..... -68,962,000

- 1 (9) Amount payable from the Employment
- 2 Development Department Benefit Au-
- 3 dit Fund (Item 7100-001-0184)..... -11,677,000
- 4 (10) Amount payable from the Employ-
- 5 ment Development Department
- 6 Contingent Fund (Item 7100-001-
- 7 0185)..... -117,185,000
- 8 (11) Amount payable from the Employment
- 9 Training Fund (Item 7100-001-
- 10 0514)..... -73,193,000
- 11 (12) Amount payable from the Unemploy-
- 12 ment Compensation Disability Fund
- 13 (Item 7100-001-0588)..... -249,565,000
- 14 (13) Amount payable from the School Em-
- 15 ployees Fund (Item 7100-001-0908).... -1,011,000
- 16 Provisions:
- 17 1. Funds appropriated in this item are in lieu of the
- 18 amounts that otherwise would have been appropriated
- 19 pursuant to Section 1555 of the Unemployment Insur-
- 20 ance Code.
- 21 2. Provision 1 of Item 7100-001-0588 also applies to
- 22 funds appropriated in this item for the Unemployment
- 23 Insurance Program.
- 24 3. The Employment Development Department shall re-
- 25 port to the Director of Finance, the chairpersons of the
- 26 fiscal committees of both houses of the Legislature,
- 27 and the Legislative Analyst’s Office by March 1, 2015,
- 28 on the year-to-date, broken out by month, Unemploy-
- 29 ment Insurance Program service levels as they relate
- 30 to all of the following: (a) the number and percentage
- 31 of initial claims for unemployment benefits processed
- 32 within three days of receipt; (b) the number and per-
- 33 centage of online inquiries responded to within five
- 34 days of receipt, (c) the number and percentage of eli-
- 35 gibility determinations scheduled within a timely
- 36 manner, and, (d) the number and percentage of tele-
- 37 phone calls responded to per week. In addition, the
- 38 report shall include any program or process efficiencies
- 39 identified by the department and how such efficiencies
- 40 impact resource needs.

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~~SEC. 23.~~

SEC. 24. 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

1	(14) Amount payable from the Deaf and	
2	Disabled Telecommunications Pro-	
3	gram Administrative Committee Fund	
4	(Item 8660-001-0483).....	-62,657,000
5	(15) Amount payable from the Payphone	
6	Service Providers Committee Fund	
7	(Item 8660-001-0491).....	-72,000
8	(16) Amount payable from the California	
9	Teleconnect Fund Administrative	
10	Committee Fund (Item 8660-001-	
11	0493).....	-2,945,000
12	(17) Amount payable from the Federal Trust	
13	Fund (Item 8660-001-0890).....	-5,498,000
14	(18) Amount payable from the California	
15	Advanced Services Fund (Item 8660-	
16	001-3141).....	-3,772,000

17 Provisions:

18 1. The Public Utilities Commission shall require any  
19 public utility requesting a merger to reimburse the  
20 commission for those necessary expenses that the  
21 commission incurs in its consideration of the proposed  
22 merger. Notwithstanding any other provision of law,  
23 due to the bankruptcy of Sacramento Natural Gas  
24 Storage, the commission’s intervenor compensation  
25 award to the Avondale Glen Elder Neighborhood As-  
26 sociation in A.07-04-013 has been reduced to a fraction  
27 of the amount awarded. In this limited circumstance,  
28 the commission may expend up to \$1,500,000 to pay  
29 to the Avondale Glen Elder Neighborhood Association  
30 the difference between the amount received from the  
31 bankruptcy court and the amount awarded by the  
32 commission by increasing charges collected from  
33 utilities pursuant to the commission’s intervenor’s  
34 compensation program established under Section 1807  
35 of the Public Utilities Code.

36 ~~SEC. 24.~~

37 ~~SEC. 25.~~ Item 8660-001-0493 of Section 2.00 of the Budget  
38 Act of 2014 is amended to read:  
39

1 8660-001-0493—For support of Public Utilities Commission,  
 2 for payment to Item 8660-001-0462, payable from the  
 3 California Teleconnect Fund Administrative Committee  
 4 Fund..... 2,945,000  
 5  
 6  
 7

8 ~~SEC. 25.~~

9 *SEC. 26.* Item 8660-101-0493 of Section 2.00 of the Budget  
 10 Act of 2014 is amended to read:

11  
 12 8660-101-0493—For local assistance, Public Utilities Commis-  
 13 sion, pursuant to Section 270 of the Public Utilities Code,  
 14 payable from the California Teleconnect Administrative  
 15 Committee Fund..... 104,605,000

16 Provisions:

- 17 1. Notwithstanding any other provision of law, upon re-  
 18 quest of the Public Utilities Commission, the Depart-  
 19 ment of Finance may augment the amount available  
 20 for expenditure in this item to pay claims made to the  
 21 California Teleconnect Fund Administrative Commit-  
 22 tee Fund Program. The augmentation may be made  
 23 no sooner than 30 days after notification in writing to  
 24 the chairpersons of the committees in each house of  
 25 the Legislature that consider appropriations and the  
 26 Chairperson of the Joint Legislative Budget Commit-  
 27 tee. The amount of funds augmented pursuant to the  
 28 authority of this provision shall be consistent with the  
 29 amount approved by the Department of Finance based  
 30 on its review of the amount of claims received by the  
 31 Public Utilities Commission from telecommunications  
 32 carriers.  
 33

34 ~~SEC. 26.~~

35 *SEC. 27.* Item 9800-001-0001 of Section 2.00 of the Budget  
 36 Act of 2014 is amended to read:

37  
 38 9800-001-0001—For Augmentation for Employee Compensa-  
 39 tion..... 271,480,000

- 1 Provisions:
- 2 1. The amount appropriated in this item shall not be
- 3 construed to control or influence collective bargaining
- 4 between the state employer and employee representa-
- 5 tives.
- 6 2. The funds appropriated in this item are for compensa-
- 7 tion increases and increases in benefits related thereto
- 8 of employees whose compensation, or portion thereof,
- 9 is chargeable to the General Fund, to be allocated by
- 10 budget executive order by the Director of Finance to
- 11 the several state offices, departments, boards, bureaus,
- 12 commissions, and other state agencies, in augmentation
- 13 of their respective appropriations or allocations, in
- 14 accordance with approved memoranda of understand-
- 15 ing or, for employees excluded from collective bargain-
- 16 ing, in accordance with salary and benefit schedules
- 17 established by the Department of Human Resources.
- 18 3. It is the intent of the Legislature that all proposed
- 19 augmentations for increased employee compensation
- 20 costs, including, but not limited to, base salary increas-
- 21 es, pay increases to bring one group of employees into
- 22 a pay equity position with another group of public
- 23 employees, and recruitment and retention differentials,
- 24 be budgeted and considered on a comprehensive,
- 25 statewide basis. Therefore, the Legislature declares its
- 26 intent to reject any proposed augmentations that are
- 27 not included in Items 9800-001-0001, 9800-001-0494,
- 28 and 9800-001-0988, given that these are the items
- 29 where the funds to implement comprehensive
- 30 statewide compensation policies, including those
- 31 adopted pursuant to collective bargaining, are consid-
- 32 ered. This provision shall not apply to augmentations
- 33 for increased employee compensation costs resulting
- 34 from mandatory judicial orders to raise pay for any
- 35 group of employees or augmentations for increased
- 36 compensation costs, or approvals for departments to
- 37 provide increased employee compensation levels, that
- 38 are included in bills separate from the budget act.
- 39 4. This item contains funds estimated to be necessary to
- 40 implement side letters, appendices, or other addenda

1 to a memorandum of understanding (collectively re-  
2 ferred to as “pending agreements”) that have been  
3 determined by the Joint Legislative Budget Committee  
4 to require legislative approval prior to their implemen-  
5 tation, but which may not have been approved in sep-  
6 arate legislation as of the date of the passage of this  
7 act. In the event that the Legislature does not approve  
8 separate legislation to authorize implementation of  
9 any of the pending agreements, the Director of Finance  
10 shall not allocate any funds related to those pending  
11 agreements pursuant to Provision 2, and the expendi-  
12 ture of funds for those pending agreements shall not  
13 be deemed to have been approved by the Legislature.

14 5. As of July 31, 2015, the unencumbered balances of  
15 the above appropriation shall revert to the General  
16 Fund.

17 6. The Director of Finance may adjust this item of app-  
18 propriation to reflect the health benefit premium rates  
19 approved by the Board of Administration of the Cali-  
20 fornia Public Employees’ Retirement System for the  
21 2015 calendar year. Within 30 days of making any  
22 adjustment pursuant to this provision, the Director of  
23 Finance shall report the adjustment in writing to the  
24 Chairperson of the Joint Legislative Budget Committee  
25 and the chairpersons of the committees in each house  
26 of the Legislature that consider appropriations.

27 7. By inclusion of this provision, for purposes of Sections  
28 3517.5 and 3517.63 of the Government Code, the  
29 Legislature hereby ratifies the following agreements  
30 that require the expenditure of funds: (1) addendum  
31 concerning Aviation Consultants, dated November 22,  
32 2013, to the Memorandum of Understanding (MOU)  
33 with State Bargaining Unit 1 (Service Employees In-  
34 ternational Union); (2) addendum concerning Recre-  
35 ational Therapists, dated March 4, 2014, to the MOU  
36 with State Bargaining Unit 19 (American Federation  
37 of State, County, and Municipal Employees); (3) the  
38 MOU dated May 5, 2014, with State Bargaining Unit  
39 13 (International Union of Operating Engineers), in-  
40 cluding continuous appropriation of economic terms

1 in the event that a budget act is not in place prior to  
 2 July 1, 2016, such appropriation will be subsumed by  
 3 the expenditure authority approved in the budget act  
 4 for each affected department upon enactment of each  
 5 applicable Budget Act; (4) addendum concerning  
 6 Correctional Officers, dated May 9, 2014, to the MOU  
 7 with State Bargaining Unit 6 (California Correctional  
 8 Peace Officers Association); and (5) the MOU dated  
 9 May 21, 2014, with State Bargaining Unit 10 (Califor-  
 10 nia Association of Professional Scientists), including  
 11 continuous appropriation of economic terms in the  
 12 event that a budget act is not in place prior to June 30,  
 13 2016, such appropriation will be subsumed by the ex-  
 14 penditure authority approved in the budget act for each  
 15 affected department upon enactment of each applicable  
 16 budget act. The estimated costs to implement these  
 17 agreements are included in this item or in departmental  
 18 appropriations.

19  
20 ~~SEC. 27:~~

21 *SEC. 28.* Item 9800-001-0494 of Section 2.00 of the Budget  
22 Act of 2014 is amended to read:

23  
 24 9800-001-0494—For Augmentation for Employee Compensa-  
 25 tion, payable from other unallocated special funds..... 228,931,000  
 26 Provisions:  
 27 1. The amount appropriated in this item shall not be  
 28 construed to control or influence collective bargaining  
 29 between the state employer and employee representa-  
 30 tives.  
 31 2. The funds appropriated in this item are for compensa-  
 32 tion increases and increases in benefits related thereto  
 33 of employees whose compensation, or portion thereof,  
 34 is chargeable to special funds, to be allocated by bud-  
 35 get executive order by the Director of Finance to the  
 36 several state offices, departments, boards, bureaus,  
 37 commissions, and other state agencies, in augmentation  
 38 of their respective appropriations or allocations, in  
 39 accordance with approved memoranda of understand-  
 40 ing or, for employees excluded from collective bargain-

- 1 ing, in accordance with salary and benefit schedules  
2 established by the Department of Human Resources.
- 3 3. Notwithstanding any other provision of law, upon ap-  
4 proval of the Director of Finance, expenditure author-  
5 ity may be transferred between this item and Item  
6 9800-001-0988 as necessary to fund costs for approved  
7 memoranda of understanding or, for employees exclud-  
8 ed from collective bargaining, in accordance with  
9 salary and benefit schedules established by the Depart-  
10 ment of Human Resources.
- 11 4. It is the intent of the Legislature that all proposed  
12 augmentations for increased employee compensation  
13 costs, including, but not limited to, base salary increas-  
14 es, pay increases to bring one group of employees into  
15 a pay equity position with another group of public  
16 employees, and recruitment and retention differentials,  
17 be budgeted and considered on a comprehensive,  
18 statewide basis. Therefore, the Legislature declares its  
19 intent to reject any proposed augmentations that are  
20 not included in Items 9800-001-0001, 9800-001-0494,  
21 and 9800-001-0988, given that these are the items  
22 where the funds to implement comprehensive  
23 statewide compensation policies, including those  
24 adopted pursuant to collective bargaining, are consid-  
25 ered. This provision shall not apply to augmentations  
26 for increased employee compensation costs resulting  
27 from mandatory judicial orders to raise pay for any  
28 group of employees or augmentations for increased  
29 compensation costs, or approvals for departments to  
30 provide increased employee compensation levels, that  
31 are included in bills separate from the budget act.
- 32 5. This item contains funds estimated to be necessary to  
33 implement side letters, appendices, or other addenda  
34 to a memorandum of understanding (collectively re-  
35 ferred to as “pending agreements”) that have been  
36 determined by the Joint Legislative Budget Committee  
37 to require legislative approval prior to their implemen-  
38 tation, but which may not have been approved in sep-  
39 arate legislation as of the date of the passage of this  
40 act. In the event that the Legislature does not approve

- 1 separate legislation to authorize implementation of  
2 any of the pending agreements, the Director of Finance  
3 shall not allocate any funds related to those pending  
4 agreements pursuant to Provision 2, and the expendi-  
5 ture of funds for those pending agreements shall not  
6 be deemed to have been approved by the Legislature.
- 7 6. As of July 31, 2015, the unencumbered balances of  
8 the above appropriation shall no longer be available  
9 for expenditure.
- 10 7. The Director of Finance may adjust this item of appro-  
11 priation to reflect the health benefit premium rates  
12 approved by the Board of Administration of the Cali-  
13 fornia Public Employees' Retirement System for the  
14 2015 calendar year. Within 30 days of making any  
15 adjustment pursuant to this provision, the Director of  
16 Finance shall report the adjustment in writing to the  
17 Chairperson of the Joint Legislative Budget Committee  
18 and the chairperson of the committees in each house  
19 of the Legislature that consider appropriations.
- 20 8. By inclusion of this provision, for purposes of Sections  
21 3517.5 and 3517.63 of the Government Code, the  
22 Legislature hereby ratifies the following agreements  
23 that require the expenditure of funds: (1) addendum  
24 concerning Aviation Consultants, dated November 22,  
25 2013, to the Memorandum of Understanding (MOU)  
26 with State Bargaining Unit 1 (Service Employees In-  
27 ternational Union); (2) addendum concerning Recre-  
28 ational Therapists, dated March 4, 2014, to the MOU  
29 with State Bargaining Unit 19 (American Federation  
30 of State, County, and Municipal Employees); (3) the  
31 MOU dated May 5, 2014, with State Bargaining Unit  
32 13 (International Union of Operating Engineers), in-  
33 cluding continuous appropriation of economic terms  
34 in the event that a budget act is not in place prior to  
35 July 1, 2016; such appropriation will be subsumed by  
36 the expenditure authority approved in the budget act  
37 for each affected department upon enactment of each  
38 applicable budget act; (4) addendum concerning Cor-  
39 rectional Officers, dated May 9, 2014, to the MOU  
40 with State Bargaining Unit 6 (California Correctional

1 Peace Officers Association); and (5) the MOU dated  
 2 May 21, 2014, with State Bargaining Unit 10 (Califor-  
 3 nia Association of Professional Scientists), including  
 4 continuous appropriation of economic terms in the  
 5 event that a budget act is not in place prior to June 30,  
 6 2016; such appropriation will be subsumed by the ex-  
 7 penditure authority approved in the budget act for each  
 8 affected department upon enactment of each applicable  
 9 budget act. The estimated costs to implement these  
 10 agreements are included in this item or in departmental  
 11 appropriations.

12 ~~SEC. 28.~~

13 *SEC. 29.* Item 9800-001-0988 of Section 2.00 of the Budget  
 14 Act of 2014 is amended to read:  
 15

16  
 17 9800-001-0988—For Augmentation for Employee Compensa-  
 18 tion, payable from other unallocated nongovernmental cost  
 19 funds..... 112,757,000

20 Provisions:

- 21 1. The amount appropriated in this item shall not be
- 22 construed to control or influence collective bargaining
- 23 between the state employer and employee representa-
- 24 tives.
- 25 2. The funds appropriated in this item are for employee
- 26 compensation increases, and increases in benefits re-
- 27 lated thereto, whose compensation or portion thereof
- 28 is chargeable to nongovernmental cost funds, to be
- 29 allocated by budget executive order by the Director
- 30 of Finance to the several state offices, departments,
- 31 boards, bureaus, commissions, and other state agen-
- 32 cies, in augmentation of their respective appropriations
- 33 or allocations, in accordance with approved memoran-
- 34 da of understanding or, for employees excluded from
- 35 collective bargaining, in accordance with salary and
- 36 benefit schedules established by the Department of
- 37 Human Resources.
- 38 3. Notwithstanding any other provision of law, upon ap-
- 39 proval of the Director of Finance, expenditure author-
- 40 ity may be transferred between Item 9800-001-0494

- 1 and this item as necessary to fund costs for approved  
2 memoranda of understanding or, for employees excluded  
3 from collective bargaining, in accordance with  
4 salary and benefit schedules established by the Depart-  
5 ment of Human Resources.
- 6 4. It is the intent of the Legislature that all proposed  
7 augmentations for increased employee compensation  
8 costs, including, but not limited to, base salary increas-  
9 es, pay increases to bring one group of employees into  
10 a pay equity position with another group of public  
11 employees, and recruitment and retention differentials,  
12 be budgeted and considered on a comprehensive,  
13 statewide basis. Therefore, the Legislature declares its  
14 intent to reject any proposed augmentations that are  
15 not included in Items 9800-001-0001, 9800-001-0494,  
16 and 9800-001-0988, given that these are the items  
17 where the funds to implement comprehensive  
18 statewide compensation policies, including those  
19 adopted pursuant to collective bargaining, are consid-  
20 ered. This provision shall not apply to augmentations  
21 for increased employee compensation costs resulting  
22 from mandatory judicial orders to raise pay for any  
23 group of employees or augmentations for increased  
24 compensation costs, or approvals for departments to  
25 provide increased employee compensation levels, that  
26 are included in bills separate from the budget act.
- 27 5. This item contains funds estimated to be necessary to  
28 implement side letters, appendices, or other addenda  
29 to a memorandum of understanding (collectively re-  
30 ferred to as “pending agreements”) that have been  
31 determined by the Joint Legislative Budget Committee  
32 to require legislative approval prior to their implemen-  
33 tation, but which may not have been approved in sep-  
34 arate legislation as of the date of the passage of this  
35 act. In the event that the Legislature does not approve  
36 separate legislation to authorize implementation of  
37 any of the pending agreements, the Director of Finance  
38 shall not allocate any funds related to those pending  
39 agreements pursuant to Provision 2, and the expendi-

- 1           ture of funds for those pending agreements shall not  
2           be deemed to have been approved by the Legislature.
- 3       6. As of July 31, 2015, the unencumbered balances of  
4       the above appropriation shall no longer be available  
5       for expenditure.
- 6       7. The Director of Finance may adjust this item of appro-  
7       priation to reflect the health benefit premium rates  
8       approved by the Board of Administration of the Cali-  
9       fornia Public Employees' Retirement System for the  
10      2015 calendar year. Within 30 days of making any  
11      adjustment pursuant to this provision, the Director of  
12      Finance shall report the adjustment in writing to the  
13      Chairperson of the Joint Legislative Budget Committee  
14      and the chairpersons of the committees in each house  
15      of the Legislature that consider appropriations.
- 16      8. By inclusion of this provision, for purposes of Sections  
17      3517.5 and 3517.63 of the Government Code, the  
18      Legislature hereby ratifies the following agreements  
19      that require the expenditure of funds: (1) addendum  
20      concerning Aviation Consultants, dated November 22,  
21      2013, to the Memorandum of Understanding (MOU)  
22      with State Bargaining Unit 1 (Service Employees In-  
23      ternational Union); (2) addendum concerning Recre-  
24      ational Therapists, dated March 4, 2014, to the MOU  
25      with State Bargaining Unit 19 (American Federation  
26      of State, County, and Municipal Employees); (3) the  
27      MOU dated May 5, 2014, with State Bargaining Unit  
28      13 (International Union of Operating Engineers), in-  
29      cluding continuous appropriation of economic terms  
30      in the event that a budget act is not in place prior to  
31      July 1, 2016, such appropriation will be subsumed by  
32      the expenditure authority approved in the budget act  
33      for each affected department upon enactment of each  
34      applicable budget act; (4) addendum concerning Cor-  
35      rectional Officers, dated May 9, 2014, to the MOU  
36      with State Bargaining Unit 6 (California Correctional  
37      Peace Officers Association); and (5) the MOU dated  
38      May 21, 2014, with State Bargaining Unit 10 (Califor-  
39      nia Association of Professional Scientists), including  
40      continuous appropriation of economic terms in the

1 event that a budget act is not in place prior to June 30,  
 2 2016, such appropriation will be subsumed by the ex-  
 3 penditure authority approved in the budget act for each  
 4 affected department upon enactment of each applicable  
 5 budget act. The estimated costs to implement these  
 6 agreements are included in this item or in departmental  
 7 appropriations.

8  
9 ~~SEC. 29.~~

10 *SEC. 30.* Section 11.00 of the Budget Act of 2014 is amended  
11 to read:

12 Sec. 11.00. The Department of Finance shall report to the Joint  
 13 Legislative Budget Committee when a reportable information  
 14 technology project’s overall costs increase by \$5,000,000 or 20  
 15 percent of the budgeted cost of the project, whichever is less. Each  
 16 report shall include all of the following: (1) the total change in  
 17 cost, scope, and schedule; (2) the reason for the change or changes;  
 18 (3) a description of new, amended, or new and amended contracts  
 19 required as a result of the change or changes; (4) a list of the risks  
 20 and issues identified in the last two Independent Verification and  
 21 Validation and Independent Project Oversight Reports and any  
 22 risk and issue that has been identified since those reports; and (5)  
 23 the department’s planned mitigation of these risks and issues. The  
 24 report shall be made no less than 30 calendar days prior to any  
 25 commitment to a new contract or contract amendment that is a  
 26 result of the change or changes identified above, or a lesser period  
 27 if requested by the department and approved by the Chairperson  
 28 of the Joint Legislative Budget Committee or his or her designee.

29 ~~SEC. 30.~~

30 *SEC. 31.* Section 39.00 of the Budget Act of 2014 is amended  
31 to read:

32 Sec. 39.00. The Legislature hereby finds and declares that the  
 33 following bills are other bills providing for appropriations related  
 34 to the Budget Bill within the meaning of subdivision (e) of Section  
 35 12 of Article IV of the California Constitution: AB 1458, AB 1459,  
 36 AB 1460, AB 1461, AB 1462, AB 1463, AB 1464, AB 1465, AB  
 37 1466, AB 1467, AB 1468, AB 1469, AB 1471, AB 1472, AB 1473,  
 38 AB 1474, AB 1475, AB 1476, AB 1477, AB 1478, AB 1479, AB  
 39 1480, AB 1481, AB 1482, AB 1483, AB 1484, AB 1485, AB 1486,  
 40 AB 1487, AB 1488, AB 1489, AB 1490, AB 1491, AB 1492, AB

1 1493, AB 1494, AB 1495, AB 1496, AB 1497, SB 853, SB 854,  
2 SB 855, SB 856, SB 857, SB 858, SB 859, SB 860, SB 861, SB  
3 862, SB 863, SB 864, SB 866, SB 867, SB 868, SB 869, SB 870,  
4 SB 873, SB 874, SB 875, SB 876, SB 877, SB 878, SB 879, SB  
5 880, SB 881, SB 882, SB 883, SB 884, SB 885, SB 886, SB 887,  
6 SB 888, SB 889, SB 890, and SB 891.

7 ~~SEC. 31.~~

8 *SEC. 32.* This act is a Budget Bill within the meaning of  
9 subdivision (e) of Section 12 of Article IV of the California  
10 Constitution and shall take effect immediately.

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