

April 23, 2019



**Bills To Watch as Legislature Returns
May Revision & April Tax Collections Ahead of Month's Projections
School Facilities Funding**

Key Deadlines approach: Policy bills that have fiscal impact must be heard by Friday April 26th. The Governor will release a revision of his budget proposal in mid-May and April revenues will have impact.

Here are some of the bills we're interested in...

School Day Start Time – SB 328 (Portantino) This bill, like last year's, would require middle and high schools to start the regular school day no earlier than 8:30 a.m. by July 1, 2022, or the date on which a school district's or charter school's respective collective bargaining agreement that is operative on January 1, 2020, expires, whichever is later. Rural schools are exempt. Read coalition letter of opposition [here](#).

Moratorium on Charter Schools - SB 756 (Durazo). This bill would impose a moratorium on any new charter schools unless the legislature enacts five major policy reforms on charter schools. Read author's Fact Sheet [here](#).

Lowering Parcel Tax Voter Threshold - SCA 5 (Hill & Allen). This measure would lower the passage rate on local parcel taxes to 55% and would require specified accountability provisions. With a Democratic supermajority in the legislature, the prospects look favorable for this effort to make it through the process. Past efforts did not get through the legislature. Read the SCA 5 Fact Sheet [here](#).

Home to School Transportation - AB 760 (Cooper). This bill would provide a Cost of Living Adjustment on the Home to School Transportation program and begin equalizing state reimbursement rates. This funding, based on reimbursement rates, remains outside of the LCFF. Average statewide reimbursement rate for HTS Transportation is 38% and the funding distribution so uneven that some districts see less than 10% reimbursement.

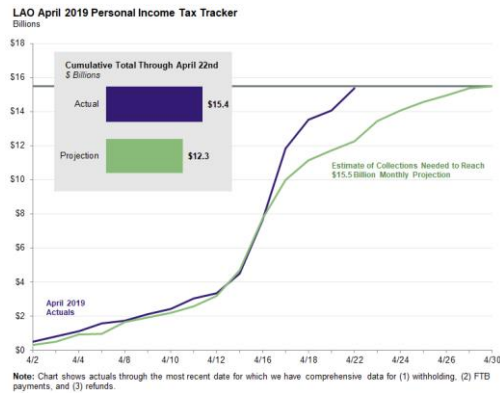
Bill would allow district option on 11th grade assessment

Pathways to College Act - AB 751 (O'Donnell) passed out of Assembly Education with unanimous support. Prior to the hearing, [San Juan USD Superintendent Kent Kern](#) joined [Assembly Member O'Donnell](#), [Long Beach USD Board Member Megan Kerr](#) and [Paramount USD Superintendent Ruth Pérez](#) at a press conference -- click on the photo across to see press conference. AB 751 is co-sponsored by [ACSA](#) and [CSBA](#) and would give districts the option to administer SAT or ACT in lieu of the state's SBAC to 11th grade students. The bill is now in the Suspense File in [Assembly Appropriations Committee](#), chaired by [Assembly Member Lorena Gonzalez](#). The Suspense File hearing is set for May 16th. We will be advocating for AB 751 to move out of Suspense and to the Assembly Floor.



April Personal Income Tax (PIT) collections ahead of projections - implications for May Revision

As we gear up for release of the May Revision and action on the 2019-20 state budget, we've been watching revenue collections, looking especially at whether the January shortfall in revenues will be made up in April. In an April 22nd post, the LAO notes that PIT collections are about \$3.1 billion ahead of the projection so far for the month. There are still 6 days left for revenues to be collected which is good news. As revenues exceed projections in April, the state will make progress towards making up the revenue shortfall noted in January. Additionally, the increase in revenue is likely to move Proposition 98 to Test 2 which would mean that Proposition 98 would receive 40% of all new revenue collected. Increased revenue would create additional options for the Governor and legislative leaders to address pressing K-12 budgetary priorities. We will continue to monitor this closely and keep you informed. You can see the cumulative total through April 22nd in the figure. Read the LAO's latest tracker post: [here](#).





School Facilities Funding Update

In his January Budget, Governor Newsom proposed accelerating bond sales of Proposition 51 to \$1.5 billion. Since then, advocacy efforts have been underway for even greater apportionments in the budget year. CASH is proposing that all remaining bond funds be apportioned by 12/31/20. Stay tuned for the May Revision.

And then there were 2: There are now 2 facilities bond bills moving through the legislature: The K-14 bond, AB 48 (O'Donnell), passed Assembly Ed Committee earlier this month and will be heard in the Assembly Higher Ed Committee on April 23rd. New programs include small district assistance, replacement of old buildings, and lead in water testing & remediation. Higher education has a bond bill, SB 14 (Glazer & Allen) which proposes an \$8 billion facilities bond for CSU & UC. Another bill, AB 124 (McCarty) until very recently, would have created a \$500 million Preschool Facilities bond; the bill was amended and no longer is a bond bill. At a hearing earlier this month, the author proposed putting preschool facilities into the K-14 bond bill. Stay tuned for further amendments.

Key to these efforts will be the position of the Newsom administration. And, the Getting Down to Facts II report suggests changes should be made to the state school facilities program to address local capacity to pass facilities bonds. Read more here.

**The May Revision to be released in mid-May.
Jeff and Andrea**