

Both Houses Close Out 2015-16 State Budget – Conference Actions Next Up

Last week both houses of the state legislature closed out their versions of the 2015-16 State Budget. A two house conference committee will now be held to resolve the differences and to begin negotiations with the Governor. The biggest differences between the two houses of the legislature is that the Democrats in both houses have placed a higher emphasis on including child care into the budget and using Proposition 98 funding to pay for these services. Additionally, both houses of the legislature have used the higher LAO revenue estimates to pay for some of the enhanced programs in their budgets. Below is a summary of some of the differences between the two houses and the Governor's May Revision. The Conference Committee will meet over the next two weeks to resolve the differences and at the same time the Democratic legislative leaders will begin to negotiate a final budget with the Governor and the Department of Finance. A final budget is expected to reach the Governor by June 15.

Proposition 98 Funding Levels:

Governor's May Revise:	\$68.4 billion
Assembly Budget	\$69.1 billion
Senate Budget	\$70.1 billion

Local Control Funding Formula

Governor's May Revise	\$6.175 billion
Assembly Budget	\$6.3 billion
Senate Budget	\$6.45 billion

Mandate Claim Reimbursement/Common Core Funding:

Governor's May Revise	\$3.56 billion with funds directed to Common Core related programs
Assembly Budget	Approved as the Budget Balancer (assumes LAO Budget level)
Senate Budget	\$292 billion (and appropriates \$800 million for teacher effectiveness programs (see attached summary)

Teacher Effectiveness

Governor's May Revise	No Apportionment
Assembly Budget	\$190 million for PAAR and BTSA programs
Senate Budget	\$800 million one-time Prop 98 for teacher effectiveness

Career Technical Education:

Governor's May Revise	\$400 million (15/16), \$300 million (16/17), \$200 million (17/18) as a competitive grant with local match
Assembly Budget	Approved May Revise Funding levels based on a per ADA allocation with no local match
Senate Budget	Approved May Revise Funding levels based on a per ADA allocation with no local match

Child Care & Early Learning

Governor's May Revise	\$2.5 B (\$938 M federal funds, \$671 M Prop 98 for State preschool, \$977 M non-Prop 98 GF)
Assembly Budget	Plus \$605 M (\$452.4 GF and \$153.3 M) in 2015-16, grow to 975.7 M (\$779.4 M GF and \$196.25 Prop 98) in 2016-17

and beyond – does not move any programs into Prop 98;
Increases 10,500 full-day preschool slots w. wrap-around care
and 10,000 alternative payment voucher child care slots

Senate Budget

Plus \$332 million (non-Prop 98 GF) to increase 13,200 voucher slots, 4,300 general child care, increase reimbursement rate by 4.4%, \$994 million to shift child care into Prop 98, \$280 million wraparound services

Adult Education

Governor's May Revise

\$500 million ongoing Prop 98

Assembly Budget

\$500 million ongoing Prop 98

Senate Budget

\$500 million ongoing & \$50 million for new accountability systems

School Transportation

Governor's May Revise

No Appropriation

Assembly Budget

No Appropriation

Senate Budget

\$50 million ongoing Prop 98

After School Education & Safety

Governor's May Revise

No Apportionment

Assembly Budget

\$50 million to raise per ADA rate to address increases in cost

Senate Budget

No Apportionment