

# K-12 EDUCATION

California provides instruction and support services to roughly 5.9 million students in pre-kindergarten through twelve in more than 10,000 schools throughout the state. A system of 58 county offices of education, 1,000 local school districts, and more than 1,200 charter schools provides instruction in English, mathematics, history, science, and other core competencies.

The Budget includes total funding of \$123.9 billion (\$65.5 billion General Fund and \$58.4 billion other funds) for all K-12 education programs—the highest level of funding in California's history. Per-pupil funding is also at the highest levels ever, totaling \$13,976 per pupil in Proposition 98 General Fund and \$21,555 per pupil when accounting for all funding sources.

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## CALIFORNIA FOR ALL KIDS

The Budget includes a package of investments in pre-kindergarten through twelve education designed to improve outcomes for all young Californians. This historic, multi-year funding plan expands educational opportunities for all students, to provide all children with the comprehensive supports necessary to reach their full potential, ensuring the future prosperity of the state.

The Budget achieves these goals through funding for all of the following:

- Universal access to transitional kindergarten (pre-kindergarten) so all children are prepared to succeed in school
- Statewide expansion of and infrastructure to support community schools, which partner with families and communities to meet students' health, academic, and social emotional needs
- Year-round access to enrichment activities and before/after-school supplemental education programs for children in low-income communities
- Universal access to high-quality, subsidized school meals
- Well-prepared and well-supported teachers to address persistent shortages and accelerate learning for students
- Deeper connections and relationships between students and adults on campus, with training in tiered systems of student supports, including more school counselors, social workers, and nurses
- More intervention-focused special education programs
- Improved and more integrated relationship between schools and health care plans, county health, and social services to provide school-based services to children
- Greater student access to broadband Internet and computer technology, both in the classroom and at home

Additionally, to strengthen the existing public education fiscal infrastructure, which has been significantly impacted by the COVID-19 Pandemic and multi-year enrollment declines, the Budget restores all deferrals and includes additional investments in general purpose K-12 funding to ensure a strong base that facilitates the success of the proposed new investments.

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## PROPOSITION 98

Proposition 98 is a voter-approved constitutional amendment that guarantees minimum funding levels for K-12 schools and community colleges (collectively referred to as K-14 schools). The Guarantee, which went into effect in the 1988-89 fiscal year, determines funding levels according to multiple factors including the level of funding in 1986-87, General Fund revenues, per capita personal income, and school attendance growth or

decline. The Local Control Funding Formula is the primary mechanism for distributing these funds to support all students attending K-12 public schools in California.

The Guarantee continues to be in a Test 1 for all years 2019-20 through 2021-22. This means that the funding level of the Guarantee is equal to approximately 38 percent of General Fund revenues, plus local property tax revenues. The significant increase in revenues projected for 2020-21 and 2021-22 results in a corresponding increase in resources for K-14 schools. Proposition 98 is estimated to be \$79.3 billion in 2019-20, \$93.4 billion in 2020-21, and \$93.7 billion in 2021-22, representing a historically high three-year increase in the minimum Guarantee of \$47 billion over the level funded in the 2020 Budget Act.

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## **PROPOSITION 98 RAINY DAY FUND**

The Budget includes 2020-21 and 2021-22 payments of \$1.9 billion and \$2.6 billion, respectively, into the Public School System Stabilization Account, for a total account balance of \$4.5 billion at the end of 2021-22. Under current law, there is a cap of 10 percent on school district reserves in fiscal years immediately succeeding those in which the balance in the Account is equal to or greater than 3 percent of the total K-12 share of the Proposition 98 Guarantee. The balance of \$4.5 billion in 2021-22 triggers school district reserve caps beginning in 2022-23.

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## **LOCAL CONTROL FUNDING FORMULA (LCFF)**

The Budget includes a compounded LCFF cost-of-living adjustment of 4.05 percent, representing a 2020-21 cost-of-living adjustment of 2.31 percent and a 2021-22 cost-of-living adjustment of 1.7 percent. Additionally, to help local educational agencies address ongoing fiscal pressures, the Budget includes \$520 million Proposition 98 General Fund to provide a 1-percent increase in LCFF base funding. This discretionary increase, when combined with the compounded cost-of-living adjustment, results in growth in the LCFF of 5.07 percent over 2020-21 levels.

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## **DEFERRALS**

Recession-driven revenue reductions anticipated at the 2020 Budget Act drove the need to defer LCFF apportionments, in the amounts of \$1.9 billion in 2019-20, growing to more than \$11 billion in 2020-21. The Budget eliminates all K-12 deferrals in 2021-22.

## UNIVERSAL TRANSITIONAL KINDERGARTEN AND STATE PRESCHOOL

Evidence is plentiful that children who attend preschool are better prepared to succeed in school than children who do not. To provide access to free, high-quality, inclusive pre-kindergarten education for all children, the Budget includes a series of investments beginning in 2022-23 to incrementally establish universal transitional kindergarten, with full implementation by 2025-26. Universal transitional kindergarten will be phased-in over five years, with local educational agencies able to use 2021-22 for planning and infrastructure development. Additional access for four-year-olds will be implemented in increments of two months of age per year from 2022-23 through 2024-25 and three months of age in 2025-26, when all four-year-olds will be eligible. The costs of this plan are anticipated to be approximately \$600 million General Fund in 2022-23, growing to \$2.7 billion in 2025-26 (the Proposition 98 Guarantee will be “rebenched” to draw down General Fund for the costs of new enrollment in each year of increased investment). Additionally, the Budget includes \$200 million one-time Proposition 98 General Fund for planning and implementation grants for all local educational agencies and \$100 million one-time Proposition 98 General Fund for local educational agencies to train and increase the number of early childhood educators.

To build on and enhance the quality of the existing transitional kindergarten program, the Budget also proposes new ongoing Proposition 98 General Fund beginning in 2022-23 to provide one additional certificated or classified staff person in each transitional kindergarten classroom, reducing adult-to-child ratios from 1:24 to 1:12. Additionally, to the extent that additional funding is provided for this purpose, beginning in the 2023-24 school year, these ratios could be further reduced to 1:10.

Further, to maximize parent choice, the Budget clarifies that otherwise-eligible children remain eligible for transitional kindergarten, State Preschool, Head Start, or any other state or federal child care program that a student's parent or guardian decides is best for them. Finally, the Budget also encourages schools to consider using State Preschool operators to provide wraparound care for their income-eligible students, to ensure a full day of developmentally appropriate care and education for these children. To provide the resources necessary to ensure that State Preschool providers can meet these demands, the Budget includes \$130 million Proposition 98 General Fund for additional student access, as well as increasing reimbursement rates to more closely reflect regional differences in the cost of providing care.

## COMPREHENSIVE STUDENT SUPPORTS

To build up the capacity of schools to become stable hubs for a wider spectrum of basic student needs and real-world learning, the Budget includes \$3 billion Proposition 98 General Fund, available over several years, to expand and strengthen the implementation and use of the community school model to all schools in communities with high levels of poverty. Community schools partner with education, county, and nonprofit entities to provide integrated health, mental health, and social services alongside high-quality, supportive instruction. In addition to these integrated student supports, community schools offer expanded learning time, active family and community engagement, and collaborative leadership and practices, which are also funded in other proposals in the Budget. Over \$140 million of the nearly \$3 billion will support the establishment of regional technical assistance centers across the state to assist local educational agencies in establishing and maintaining community schools using multiple funding sources to meet students' needs.

To increase the number of adults providing direct services to students on school campuses, the Budget includes an ongoing increase to the LCFF concentration grant of \$1.1 billion Proposition 98 General Fund, increasing the concentration grant from 50 to 65 percent of the LCFF base grant. Local educational agencies that are recipients of these funds will be required to demonstrate in their local control and accountability plans how these funds are used to increase the number of certificated and classified staff on their campuses, including school counselors, nurses, teachers, paraprofessionals, custodial staff, and other student support providers. Also, in recognition of the disproportionate impact of the COVID-19 Pandemic on youth in foster care, county offices of education will receive an additional \$30 million one-time Proposition 98 General Fund to work with local partners to coordinate and provide direct services to these students.

Further, the Budget provides \$547.5 million one-time Proposition 98 General Fund for the A-G Completion Improvement Grant Program, which will fund high schools to increase the number of students, particularly students eligible for free and/or reduced price meals, English learners, and foster youth, who graduate from high school having completed the A-G series of classes required for admission to the California State University and University of California. The Pandemic made completion of these classes more difficult for many students, and the extra supports that will be provided to them with these resources will help them get back on track.

## EXPANDED LEARNING TIME

A substantial body of research demonstrates the benefits of both expanded learning time and summer/intersessional enrichment in addressing and preventing learning challenges for students. To provide children with expanded learning opportunities regardless of their family income, the Budget makes an initial \$1.8 billion Proposition 98 General Fund investment as part of a multi-year plan to implement expanded-day, full-year instruction and enrichment for all elementary school students, with a focus on local educational agencies with the highest concentrations of low-income students, English language learners, and youth in foster care.

Pursuant to this plan, all local educational agencies will receive funding for expanded learning opportunities based on their number of low-income students, English language learners, and youth in foster care, with local educational agencies with the highest concentrations of these students receiving a higher funding rate. All local educational agencies will be required to offer expanded learning opportunities to the students generating the funding, with the local educational agencies receiving the higher funding rate required to offer expanded learning opportunities to all students. These students will have access to no-cost after school and summer programs, which when combined with regular instructional time, will provide these students with the opportunity for nine hours of developmentally appropriate academics and enrichment activities per instructional day and for six weeks each summer.

Similar to the existing After School Education and Safety Program, these programs will offer developmentally appropriate enrichment to students, including:

- An educational element in which tutoring or homework assistance is provided, and
- A supplemental element including, but not limited to, Science, Technology, Engineering, and Mathematics (STEM); fine arts; career technical education; recreation; and physical fitness.

Additionally, these programs will be required to maintain adult-to-student ratios of no less than 1:10 for transitional kindergarten and kindergarten students and 1:20 for students in first through sixth grades.

Funding for expanded learning opportunities is expected to increase over the course of five years, growing to \$5 billion in 2025-26. Over the implementation period, per pupil funding will increase and more local educational agencies will be expected to expand access to all students. In the meantime, local educational agencies are encouraged to

expand access beyond the targeted student population by incorporating fee-based services into their programs for students whose families can afford to pay, using a graduated fee schedule that considers family income.

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## EDUCATOR PREPARATION, RETENTION, AND TRAINING

Preparing, training, and recruiting a diverse, expert workforce of administrative, credentialed, and classified staff to work in public K-12 schools is critical to the success of the entire system. To further expand the state's educator preparation and training infrastructure, including to meet the need for additional early childhood educators, the Budget provides approximately \$2.9 billion to support educator initiatives. These proposals include:

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### WORKFORCE PREPARATION

- \$500 million one-time General Fund over five years for the Golden State Teacher grants, which would support a combined total of at least 25,000 grants for teacher credential candidates who commit to teach at a priority school, in a high-need subject matter area, for four years.
- \$350 million one-time Proposition 98 General Fund over five years to support teacher preparation residencies and other grow-your-own teacher credentialing programs.
- \$125 million one-time Proposition 98 General Fund over five years for the Classified School Employee Teacher Credentialing Program, to support more than 5,000 classified school staff in becoming credentialed teachers.
- \$20 million one-time General Fund to provide a credential fee waiver in 2021-22 for individuals entering the K-12 educator workforce.
- \$15 million one-time Proposition 98 General Fund over three years to support 6,000 teachers in completing the coursework necessary to receive state certification to teach computer science.
- \$1.7 million one-time Proposition 98 General Fund to support the educator recruitment work of the Center on Teaching Careers.
- Statute authorizing new pathways for prospective teachers to establish basic skills and subject matter competency, through coursework and upgrades to existing examinations.

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### RETENTION AND TRAINING

- \$1.5 billion one-time Proposition 98 General Fund over five years for the Educator Effectiveness Block Grant, to provide local educational agencies with training resources for classified, certificated, and administrative school staff in specified high-need topics, including accelerated learning, social-emotional learning, re-engaging students, restorative practices, and implicit bias training.
- \$250 million one-time Proposition 98 General Fund over five years to incentivize 2,500 highly-qualified National Board Certified teachers to teach and mentor other instructional staff in high poverty schools.
- \$60 million one-time Proposition 98 General Fund for the Classified School Employee Summer Assistance Program, which provides matching funds for intersessional pay for classified employees that work less than 12 months per year.
- \$50 million one-time Proposition 98 General Fund for the California Collaborative for Educational Excellence to administer evidence-based professional development for educators that can support learning acceleration for California's diverse student population, particularly in mathematics, literacy and language development.
- \$25 million one-time Proposition 98 General Fund over five years for the 21st Century California School Leadership Academy, to provide high-quality professional learning for administrators and other school leaders.
- Additional one-time funds are also provided to increase educator training and resources in early math, reading, science instruction, computer science, dyslexia, anti-bias strategies, environmental literacy, open educational resources, ethnic studies, and LGBTQ+ cultural competency.

Finally, the Budget proposes aligning teacher preparation programs with new teacher expectations for the instruction of students with exceptional needs, including dyslexia.

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### UNIVERSAL SCHOOL NUTRITION

Nutrition programs are a key component in achieving an effective education program. Research shows that child nutrition programs increase student attendance and improve their well-being. To ensure that these benefits are available to all children, and to reduce the stigma of free and reduced-price meals, the Budget provides an additional \$54 million Proposition 98 General Fund to reimburse all meals served to students, including for those who would not normally qualify for reimbursement under



the state meal program. Federal waivers allow schools to operate the federal Seamless Summer Option throughout the 2021-22 school year and will allow participating schools to offer free meals to all students, regardless of income eligibility, while providing federal reimbursement at the free rate for all meals served.

Beginning in 2022-23 school year, all public schools will be required to provide two free meals per day to any student who requests a meal, regardless of income eligibility. Further, all schools eligible for the Community Eligibility Provision, the federal universal meals provision, will be required to apply for the program by June 30, 2022 (if they are not already participating) to reduce volatility in costs to the state and ensure the state is not responsible for costs that could be reimbursed at the federal level. The state will then cover any remaining unreimbursed costs up to the federal free per-meal rate, at an estimated cost of \$650 million Proposition 98 General Fund annually.

Additionally, the Budget provides \$150 million one-time Proposition 98 General Fund for school districts to upgrade kitchen infrastructure and equipment, as well as provide training to food service employees. Of this amount, \$120 million will provide a minimum of \$25,000 per district for kitchen upgrades and equipment, and \$30 million to provide a minimum of \$2,000 per district for training to promote nutritious foods, food preparation, and healthy food marketing.

The Administration continues to support funding to advance farm-to-school programs. Funding to support these programs will be considered as part of a deferred discussion between the Administration and Legislature later summer (See Sustainable Agriculture Chapter for additional detail).

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## SPECIAL EDUCATION

The Budget reflects the state's ongoing commitment to invest in and improve instruction and services for students with disabilities. Specifically, the Budget includes the following for special education programs:

- \$450 million one-time Proposition 98 General Fund for LEAs to provide learning recovery supports for students with disabilities.
- \$396.9 million ongoing Proposition 98 General Fund to increase the statewide base rate for special education funding.

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- \$277.7 million one-time federal Individuals with Disabilities Education Act (IDEA) funds to local educational agencies to increase general statewide special education resources.
- \$260 million ongoing Proposition 98 General Fund to support early intervention services for preschool-aged children.
- \$186.1 million ongoing Proposition 98 General Fund to provide a 4.05-percent cost-of-living adjustment for state special education funding.
- \$100 million one-time Proposition 98 General Fund for alternative dispute resolution to provide more opportunities for efficient and effective resolution of special education services complaints.
- \$15 million one-time Proposition 98 General Fund for grants to LEAs to improve the delivery of inclusive practices.
- \$10 million one-time federal IDEA funds to provide technical assistance and support to local educational agencies in developing and administering comprehensive individualized education programs and to develop tools and resources to assess and address academic impacts of the Pandemic on students with disabilities.
- \$7 million ongoing federal IDEA funds to support and expand Family Empowerment Centers.
- \$2.3 million federal IDEA funds (of which \$965,000 is available on a one-time basis) and 6 positions for the Department of Education to address special education complaints, perform court-ordered special education monitoring of local educational agencies, and to purchase special education monitoring software.

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## INDEPENDENT STUDY

The COVID-19 Pandemic posed an unprecedented crisis for California's schools. However, with scientific consensus regarding the safety of in-person instruction and continued success in expanding vaccinations to drive down COVID-19 transmission, school communities can and must prioritize the in-person connections that best serve the mental health, social-emotional well-being, and academic needs of students, families, and staff.

The Budget requires that all districts return to full-time in-person instruction for the 2021-22 school year. Consistent with all school years prior to 2020-21, this mode of instruction will be the default for all students, and generally one of only two ways in

which local educational agencies can earn state apportionment funding in 2021-22. However, some parents may still be hesitant to send their children back to school for in-person instruction. In addition, some children may be unable to return to in-person instruction for medical reasons. To give families a high-quality option for non-classroom based instruction, and to provide local educational agencies with an option to generate state funding by serving students outside the classroom in response to parent requests, the Budget requires school districts and county offices of education to provide students with an independent study option and includes a series of improvements to the state's existing independent study programs.

Specifically, local educational agencies will provide non-classroom based instruction using the existing traditional and course-based independent study models, but will have additional requirements to: (1) provide opportunities for synchronous instruction and live interaction; (2) ensure access to technology, internet connectivity, and a dedicated and rigorous curriculum; (3) develop and implement a framework of tiered re-engagement strategies for students not meaningfully participating in instruction; and (4) track student learning to ensure that students are making satisfactory educational progress.

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## OTHER K-12 BUDGET ADJUSTMENTS

Other significant adjustments include:

- **Career Technical Education**—An increase of \$150 million ongoing Proposition 98 General Fund to augment opportunities for local educational agencies to participate in the Career Technical Education Incentive Grant Program.
- **Career Technical Education ROCPs**—An increase of \$86.4 million one-time Proposition 98 General Fund for career technical education regional occupational centers or programs (ROCPs) operated by a joint powers authority to address costs associated with the COVID-19 Pandemic.
- **Court Schools**—An increase of \$80 million one-time Proposition 98 General Fund for court schools to address costs associated with the COVID-19 Pandemic.
- **State Special School Facilities**—\$20.2 million General Fund and a commitment for \$106.3 million in future years for three new projects and one continuing project. The new projects would renovate 26 student residences and provide a perimeter fence at the Fremont campus and demolish 16 vacated modular buildings at the Riverside campus.