



## AB 3632 Program (Excluding Related State and Federal Medi-Cal Funding)

(In Millions)

|  | 2007-08      | 2008-09      | 2009-10      | 2010-11<br>(May Revision) |
|--|--------------|--------------|--------------|---------------------------|
| <b>Funding Provided to Counties</b>                  |              |              |              |                           |
| Federal special education (redirected from schools)  | \$69         | \$69         | \$69         | \$69                      |
| Department of Mental Health categorical <sup>a</sup> | 52           | 104          | 52           | —                         |
| Department of Social Services Foster Care            | 48           | 51           | 59           | 70                        |
| Mandate reimbursements <sup>b</sup>                  | 82           | 36           | na           | —                         |
| <b>Funding Provided to Schools</b>                   |              |              |              |                           |
| Proposition 98 support for schools                   | \$31         | \$31         | \$31         | \$31                      |
| <b>Total Resources</b>                               | <b>\$282</b> | <b>\$291</b> | <b>\$211</b> | <b>\$170</b>              |

<sup>a</sup> Funding used to pay program costs across multiple years. 2009-10 amount reflects Control Section 18.40.

<sup>b</sup> Claims for mandated activities in year shown. Additional claims for 2008-09 and 2009-10 activities forthcoming.



**Mandate Costs.** The State Constitution generally requires the state to pay every mandate's post-2003 bills in the annual budget, or suspend or repeal the mandate. Last month, the State Controller reported that the state owes counties \$133 million for AB 3632 mandate claims for activities conducted between 2003 and 2008.



### Initial Concerns About Administration's Proposal

- Suspending AB 3632 mandate would be temporary, confusing, and disruptive.
- Eliminating AB 3632 funding could violate federal special education spending requirements.
- Proposal does not address transitional issues associated with change.