

ENCLOSURE

LAO Proposition 98 Alternative				
<i>(In Millions)</i>				
Program	Action	2008-09	2009-10	
Statewide Issues:				
K-14 COLA	Withdraw 0.68 percent COLA for K-12 revenue limits, county office of education revenue limits, and CCC apportionments.	\$284	\$284	
Estimated Growth in Minimum Guarantee	Foregone growth in 2009-10 guarantee.	—	81	
Subtotals		(\$284)	(\$365)	
Scoop Current/Prior-Year Savings:				
Non-CalWORKs child care	Reduce current-year General Fund spending. Savings due to revised estimate of 2008-09 expenditures.	\$55	—	
CalWORKs Stages 2 and 3	Reduce current-year General Fund spending. Savings due to revised 2008-09 caseload estimate.	42	—	
Excess federal funds for child care	Increase federal authority and reduce current-year General Fund spending. (Additional federal funds available due to lower-than-anticipated expenditures.)	19	—	
Unspent K-12 funds from current/prior years	Combination of reducing current-year General Fund spending and redirecting prior-year funding, both due to lower-than-expected expenditures.	90	—	
Unspent CCC funds from current/prior years	Combination of reducing current-year General Fund spending and redirecting prior-year funding, both due to lower-than-expected expenditures.	10	—	
Subtotals		(\$216)	(—)	
K-12 Program Eliminations/Reductions:				
High Priority Schools Grant Program	As of July 1, 2009, eliminate because of substantial overlap with federal improvement program.	—	\$114	
Year-Round Schools Operational Grants	As of July 1, 2009, eliminate because year-round schools are largely being phased out at local level.	—	97	
Physical Education Teacher Incentive Grants	As of July 1, 2009, eliminate because poorly structured.	—	42	
School Safety Competitive Grants	As of July 1, 2009, eliminate because of substantial overlap with a larger, less restrictive school safety program.	—	18	
Ninth Grade Class Size Reduction	As of July 1, 2009, eliminate because other funds are available for class size reduction in grade 9 and is much more targeted. Research findings are lackluster on effect of class size reduction on student performance.	—	96	
Community-Based English Tutoring	As of July 1, 2009, eliminate because program does not serve K-12 students. Other opportunities exist for adults to take English language classes.	—	50	
Pupil Retention Block Grant	As of July 1, 2009, eliminate block grant but fund continuation high schools separately. Since block grant was created, a new supplemental instruction program (\$73 million) and a new counseling program (\$200 million) have been created.	—	62	
Adult education	Achieve one-time savings by scooping excess growth provided from 2004-05 through 2008-09. Change growth formula moving forward.	—	45	
Subtotals		(—)	(\$524)	

Continued

Program	Action	2008-09	2009-10
K-12 Program Suspensions:			
Professional Development Block Grant	Suspend for one year, beginning July 1, 2009.	—	\$273
Math and Reading Professional Development	Suspend funding, beginning January 1, 2009.	\$28	57
Peer Assistance and Review	Suspend funding, beginning January 1, 2009.	15	30
Certificated Staff Mentoring	Suspend funding, beginning in January 1, 2009.	6	12
National Board	Honor existing grants only. Make no new awards.	2	3
Principal Training	Fund only existing participants and new principals in 2009-10.	1	2
Bilingual Teacher Training	Suspend funding, beginning July 1, 2009.	—	2
Instructional Materials Block Grant	Move required math purchases from 2009-10 to 2010-11. Move required reading/language arts purchases from 2010-11 to 2011-12. Retain some funding for replacement, consumables, and classroom supplies.	140	235
Deferred maintenance	As of July 1, 2009, eliminate because it sets up poor local incentives. It predates the School Facility Program, which has better incentive for school districts to maintain facilities (a required 3 percent set-aside).	208	277
Subtotals		(\$400)	(\$891)
CCC Fee Increases/Funding Rate Reductions:			
CCC personal enrichment courses	As of January 1, 2009, reduce funding for certain credit-bearing physical education courses (for example pilates, racquetball, golf) to noncredit rate. As of July 1, 2009, extend rate reduction to certain enrichment courses (for example ballroom dancing, drawing, photography).	\$60	\$200
CCC fees	As of January 1, 2009, increase fee for credit courses to \$26 per unit (from \$20). Effective fall 2009, increase fee to \$30 per unit.	40	120
Subtotals		(\$100)	(\$320)
Totals		\$1,000	\$2,100
Two-Year Total			\$3,100