

# California Student Aid Commission

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## Item 2 (Information/Action)

Update on 2019-20 State budget issues, including the May Revision and items relating to Commission programs and operations

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### **SUMMARY:**

The Governor's May Revision Budget Proposal for Fiscal Year (FY) 2019-20 includes the following new proposals and adjustments to Commission programs:

- 1) One-time funding of \$89.75M for a new program to assume up to \$20,000 in student loan debt for 4,500 teachers working in high-need school districts;
- 2) One-time funding of \$50M to encourage local governments and eligible nonprofit entities to establish college savings programs at the local and regional level;
- 3) One-time funding of \$5M for a new initiative to perform outreach to students around student loan debt, borrowing options, and repayment practices;
- 4) Maintaining the maximum Cal Grant award for students attending private nonprofit institutions at \$9,084, while delaying by one year the requirement for the nonprofit sector to meet specified targets for enrolling students via the Associate Degree for Transfer (ADT) pathway.

These proposals are in addition to the Governor's January Budget proposals for Commission programs, which are summarized in the "Brief History" section, below, and discussed in greater detail in Attachment 2.1.

### **RECOMMENDATION:**

Staff will provide updates of budget developments as the process continues through June.

### **BRIEF HISTORY OF KEY ISSUE(S):**

Governor Newsom's January Budget proposal for FY 2019-20 included four significant new enhancements or funding augmentations to Commission programs and operations:

- Supplemental Cal Grant access awards for all Cal Grant recipients with dependent children, of up to \$6,000 annually for Cal Grant A and B recipients and \$4,000 for Cal Grant C recipients;
- An increase of 4,250 (16 percent) Competitive Cal Grant awards, bringing the total annual number of awards provided by the Commission to 30,000;
- Full funding for the second year project costs of the Commission's Grant Delivery System Modernization (GDSM) project, putting the project on time to go live in early 2021;
- Partial approval of the Commission's Fall 2018 request for additional personnel and resources for State operations, including key positions in the Institutional Support Unit and the Executive Office;
- Maintaining the maximum Cal Grant tuition award for students attending private nonprofit institutions at \$9,084, assuming this sector as a whole would meet its agreed-upon target of enrolling at least 2,000 community college transfer students via the Associate Degree for Transfer (ADT) pathway in 2019-20.

### **ANALYSIS:**

Governor Newsom's May Revision Budget Proposal maintains all of the funding proposals for Commission programs and operations contained in his January Budget proposal, with adjustments to reflect revised caseload estimates and fiscal forecasting. Regarding the maximum Cal Grant tuition award for students attending private nonprofit institutions, the May Revision proposes to delay the implementation of the ADT benchmark requirement by an additional year, maintaining the award amount at \$9,084 in 2019-20 while expecting the sector to enroll at least 2,000 ADT students in 2020-21.

The May Revision also proposes three new one-time programs to be administered by the Commission, which are summarized in Attachment 2.2:

- The Teacher Service Credit Scholarship Program, to provide loan assumption to 4,500 teachers in high-need school districts, for a maximum of \$20,000 per eligible applicant (\$89.75 million GF);
- The Child Savings Account Grant Program, to provide matching and seed grants to local governments and other entities that operate programs encouraging parents and families to open and maintain college savings accounts for their children (\$50 million GF);
- A student loan and debt awareness outreach initiative, to educate student loan borrowers about their loans, lending practices, and available repayment options (\$5 million GF).

**RESPONSIBLE PERSON(S):**

David O'Brien, Director  
Government Affairs

**ATTACHMENTS:**

Description

- ▢ Attachment 2.1 Overview of the 2019-20 May Revise Governor's Budget Proposal
- ▢ Attachment 2.2 Governor's May Revise Budget Summary Higher Education

**CALIFORNIA STUDENT AID COMMISSION**  
**Overview of the 2019-20 Governor's Budget Proposal, May Revision**  
May 2019

**SUMMARY**

The May Revision to the Governor's Budget Proposal for Fiscal Year (FY) 2019-20 would fund California Student Aid Commission (CSAC) programs and operations at a total of \$2.72 billion, an 11.9% increase over FY 2018-19 enacted funding. CSAC funding includes \$1.63 billion from the state General Fund (GF), \$1.09 billion in federal reimbursements from the Temporary Assistance to Needy Families (TANF) program, and \$5.6 million from the College Access Tax Credit (CATC) Fund.

Major program changes and adjustments to CSAC's budget and other financial aid issues in the May Revision are as follows:

- **\$89.8 million new loan forgiveness grant program for teachers (one-time).** The May Revision proposes to establish the Teacher Service Credit Scholarship Program, which would provide loan forgiveness grants to teachers in specified high-need districts and schools, particularly those with high percentages of permits and waivers for substitute teachers and short-term staff, indicating a shortage of permanent teacher staffing. Under this program, CSAC would fund a total of 4,500 new teachers with loan forgiveness grants of up to \$5,000 per year for a maximum of four years each.
- **\$50 million to incentivize children's savings accounts (one-time).** The Child Savings Account Grant Program would be a one-time grant program providing State funds to local entities that establish programs incentivizing children's savings accounts, very similar to the Every Kid Counts (EKC) one-time program administered by the Commission this year. Unlike EKC, however, the Child Savings Account Grant Program would allow for nearly three-quarters of the \$50 million in available grant funding to be disbursed to local entities to establish new children's savings accounts. (The Governor's January Budget proposed to house this program at First 5 California.)
- **\$5 million to create outreach and awareness around student loan debt (one-time).** The Student Aid Commission is proposed to administer a one-time outreach program increasing awareness of issues around student loans, including: updating the CSAC website with information about borrowing and repayment options, financial literacy, and more information; expanding and updating training curriculum and materials for both high school counselors and college financial aid administrators; and providing grants to local nonprofit organizations with expertise in student loan debt, among other things. (The Governor's January Budget proposed to house this program at the Governor's Office of Planning and Research.)
- **A one-year delay of the Associate Degree for Transfer (ADT) requirement for private nonprofit institutions participating in the Cal Grant program.** The 2018-19 budget included an agreement reached between the Brown Administration and representatives of the private nonprofit sector, including the Association of Independent

## Attachment 2.1

California Colleges and Universities (AICCU), that the maximum Cal Grant tuition award for students attending these institutions would be maintained at its current level (\$9,084) if all schools in this sector, as a whole, admitted a certain number of community college transfer students via the ADT pathway. This requirement was set to go into effect for the 2019-20 academic year, but in order to give schools in this sector additional time to ramp up to this new requirement, the May Revision proposes delaying the implementation of this benchmark until 2020-21. The maximum Cal Grant tuition award in 2019-20 would remain at the current \$9,084.

These adjustments and augmentations are in addition to the Governor's January Budget proposals for CSAC and financial aid, including:

- **Supplemental Cal Grant access grants for student parents.** The Governor proposes to supplement Cal Grant awards for students with dependent children by up to \$6,000 per student. Cal Grant A and B students would be eligible for an Access Award of up to \$6,000 per year, and Cal Grant C students could receive up to \$4,000 per year. These awards would be limited to students attending public institutions of higher education (UC, CSU, and CCC).
- **Increased Competitive Cal Grant awards.** The Governor's Budget would increase the number of Competitive awards issued by the Commission from 25,750 to 30,000 per year, an increase of more than 16 percent.
- **Full funding (\$6.2 million GF) of the second-year program costs for the Grant Delivery System Modernization (GDSM) Project,** consistent with the Commission's Budget Change Proposal (BCP) submitted in fall 2018. This project is crucial to maintaining CSAC's ability to issue financial aid awards and assist students.
- **Additional staffing and implementation resources at CSAC.** The Governor's Budget includes funding for permanent positions and one-time funds requested by CSAC to implement 2018-19 budget changes to financial aid programs.

### FINANCIAL AID PROGRAMS

#### *Cal Grants for Students with Dependent Children*

The Governor's Budget proposes \$98 million ongoing GF to augment financial aid awards for students with dependent children. This additional aid, which would be processed as a supplemental Access Award for current Cal Grant students, would be available only to students attending public colleges and universities (UC, CSU, CCC), and in the following amounts:

- **Cal Grant A** students would be eligible to receive a new Access Award of up to **\$6,000** per year.
- **Cal Grant B** students would be eligible for an increase to their existing Access Award (currently set at a maximum of \$1,672), up to **\$6,000** per year.<sup>1</sup>

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<sup>1</sup> This amount is independent of the College Access Tax Credit supplement, currently \$24 per student. With this supplement accounted for, the maximum Access Award for these students would be \$6,024.

## Attachment 2.1

- **Cal Grant C** students would be eligible for an increase to their existing Book and Supply Award (currently set at a maximum of \$1,094), up to **\$4,000** per year.

According to data from the Free Application for Federal Student Aid (FAFSA) and California Dream Act Application (CADAA) submissions, in 2017-18 there were **28,662** Cal Grant recipients attending public institutions of higher education who indicated that they had dependent children, of whom nearly three-quarters (21,392) attended CCCs. In addition, **3,189** Cal Grant recipients who reported having dependent children attended private institutions, split almost evenly between the nonprofit and for-profit sectors.

### *Competitive Cal Grant*

The Governor's Budget proposes \$9.6 million GF (ongoing) to increase the number of annual Competitive Cal Grant awards issued by the Commission to 30,000. This increase of 4,250 (16.5%) from the current 25,750 represents the first proposed increase in Competitive awards in several years.

The Competitive Cal Grant is the State's main source of financial aid for what has generally been called "non-traditional" students. Since Cal Grant is available as an entitlement only to recent (within one year) high school graduates, students who attend college *more* than one year after graduating high school are placed into the Competitive pool, which in recent years has involved more than 300,000 eligible applicants competing for 25,750 awards.

Since its establishment in 2000, demand for the Competitive Cal Grant program has steadily increased, while the number of allocated awards per year has only increased once – from 22,500 to the current 25,750. In the program's first full year of operation (2001-02), a total of 98,537 eligible students applied – meaning that each student had a roughly 23% chance of receiving an award. In 2017-18, there were 324,515 eligible applicants to consider, giving each student a slightly less than 8% chance of being awarded.

### *Cal Grants for Students Attending Non-Profit Institutions*

The maximum Cal Grant tuition award for students at private nonprofit institutions was determined according to a statutory formula through the late 1990s, when the 2000 legislation that established the Cal Grant Entitlement programs set the award at a flat rate as determined in the annual Budget Act. Initially set at \$9,708, the award has not been adjusted for inflation, and has been reduced once (to \$9,084), with proposals to reduce the award by an additional \$1,028 (to \$8,056) considered and rejected by the Legislature multiple times since then.

As part of the 2018-19 budget process, the Brown Administration proposed permanently maintaining this award at the current \$9,084 level, subject to schools in this sector meeting specific targets for enrolling students via the ADT pathway. The initial agreement stated that, beginning with the 2019-2020 academic year, nonprofit institutions would admit 2,000 such transfer students, with this number increasing to 3,000 students in 2019-20 and to 3,500 students in 2020-21.

The 2019-20 May Revision proposes to delay this requirement by an additional year, to give the nonprofit sector time to ramp up to meeting these enrollment targets. The maximum Cal Grant for these students would remain at \$9,084 in 2019-20, and in 2020-21, the sector would be required to admit a minimum of 2,000 ADT students.

### ONE-TIME PROGRAMS

The May Revision proposes a total of **\$144.75 million** in one-time loan repayment, college savings, and outreach programs to be administered by the Commission.

#### *Teacher Service Credit Scholarship Program*

The Governor proposes to allocate **\$89.75 million one-time GF** to the Commission to establish a new program to assume up to \$20,000 of student loan debt for teachers working in specified high-need school districts. Specifically, teachers with outstanding loan debt who teach in districts with a high percentage of “emergency-type permits” (waivers allowing districts to hire large numbers of provisional interns, short-term staff, or substitute teachers, thus indicating a difficulty in recruiting and retaining permanent teachers) would be eligible to have up to \$5,000 of their loan debt assumed by this program for four consecutive years, for a total of \$20,000.

This proposal would require the Commission to work in consultation with the California Department of Education and the Commission on Teacher Credentialing to prioritize schools with a high percentage of emergency-type permits and to prioritize applicants who are obtaining, or have obtained, their credentials in science, technology, engineering, and mathematics (STEM), career technical education STEM, special education, bilingual education, or a multiple subject credential. With the budget allocation capped at \$89.75 million and a maximum loan assumption of \$20,000 per eligible teacher, this proposal would allow up to 4,500 participants in this loan assumption program.

#### *Child Savings Account Grant Program*

Amendments to the 2017-18 Budget Act established the Every Kid Counts (EKC) program, providing \$2.9 million in one-time funding to CSAC to encourage and support local college savings programs. Specifically, this funding was available to be disbursed through a competitive grant process to local governments or eligible entities operating on behalf of a city or region college savings programs focused on encouraging parents of elementary school-age children to open and maintain savings accounts for their children’s college education. Funds were available to any entity with such a program already in operation or in development, and could be used for purposes of: 1.) Providing matching/seed grants to individual parents and families; 2.) Performing outreach to families to increase awareness of such programs; 3.) Independent evaluation of such programs and sharing of best practices.

The May Revision proposes to establish a similar program, but at a larger scale, under the administration of the Commission. The Child Savings Account Grant Program would be funded with **\$50 million one-time GF**, and would be primarily targeted at entities or regions that do not currently have college savings programs in operation; 74 percent (\$37 million) of the funds would be earmarked to help local governments or eligible entities establish new college savings programs, with another 24 percent (\$12 million) dedicated to supporting existing programs, and 2 percent (\$1 million) available to the Commission for administration and outreach.

#### *Student Loan Awareness Initiative*

The Governor’s January Budget proposal would have established an outreach program around student loan awareness within the Governor’s Office of Planning and Research; the May Revision proposes to shift this program to the Student Aid Commission. This proposal would allocate **\$5 million one-time GF** to CSAC for an outreach initiative to educate student loan

borrowers about their loans, lending practices, and available repayment options. Proposed budget bill language spells out a list of activities that would be eligible under this funding, from updating the CSAC website to providing grants to local nonprofit organizations with expertise in student loan debt.

### **INFORMATION TECHNOLOGY**

#### Grant Delivery System Modernization

The Governor's Budget includes **\$6.2 million one-time GF** to fully fund the second year of program costs for the GDSM Project. CSAC received funds to begin project costs in the current year (2018-19), and Governor Newsom's budget would continue to support the project, which is expected to go live in early 2021.

### **CSAC OPERATIONS**

In the fall of 2018, CSAC submitted a BCP for operational costs. To ensure sufficient staffing and resources, CSAC requested the establishment of 11 additional permanent positions, as well as one-time funds to program and implement recent financial aid statutory changes.

The Governor's Budget includes funding for three new permanent positions at CSAC, including two Associate Governmental Program Analyst (AGPA) positions in the Institutional Support Unit, and an Office Technician (OT) position in the Executive Office. Also included is \$100,000 in one-time funding to help implement recent enhancements to CSAC financial aid programs for foster youth.

# HIGHER EDUCATION

Higher Education includes the California Community Colleges (CCC), the California State University (CSU), the University of California (UC), the Student Aid Commission, and several other entities. The May Revision includes total funding of \$36.6 billion (\$20.6 billion General Fund and local property tax and \$16 billion other funds) for all higher education entities in 2019-20.

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## UNIVERSITY OF CALIFORNIA

Consisting of ten campuses, the UC is the primary institution authorized to independently award doctoral degrees and professional degrees. The UC educates approximately 270,000 undergraduate and graduate students and receives the highest state subsidy per student among the state's three public higher education segments. In 2017-18, the UC awarded 75,000 degrees. An additional 400,000 students participate in continuing education programs through the University extensions.

The Governor's Budget provided \$240 million ongoing General Fund and \$153 million one-time General Fund investments with the expectation that the UC would not raise resident student tuition in fiscal year 2019-20. In March, the Board of Regents announced that it would not raise tuition; therefore, the May Revision maintains these funding levels.



## Significant Adjustments:

- Retirement Program—The May Revision includes \$25 million one-time General Fund to support the UC Retirement Program.
- UC San Francisco Dyslexia Center Pilot Program—\$3.5 million one-time General Fund to support a pilot dyslexia screening and early intervention program operated through the UC San Francisco Dyslexia Center. These funds will enable the Center to deploy the Application for Readiness In Schools and Learning Evaluation, provide curriculum support, train staff on potential educational interventions, and collect data for a report on outcomes.
- Support for Students Experiencing Homelessness—Building upon the Governor's Budget investment of \$15 million ongoing General Fund to address student food and housing insecurity, the May Revision proposes \$3.5 million ongoing General Fund to support rapid rehousing of homeless and housing insecure students.
- Other Programs—The May Revision updates the assumed out-year costs to support the UC legal immigration services program from an average of \$1.3 million per year to an average of \$1.7 million per year. The May Revision continues to reflect \$1 million ongoing General Fund to support the UC Davis Firearms Violence Research Center beginning in 2021-22.

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## CALIFORNIA STATE UNIVERSITY

The CSU serves over 410,000 undergraduate students across 23 campuses and receives funding from a variety of sources, including state General Fund, federal funds, lottery funds, and student tuition and fees. The Governor's Budget provided \$300 million ongoing General Fund and \$264 million one-time General Fund investments with the expectation that the CSU would not raise resident student tuition in fiscal year 2019-20. In January, the Board of Trustees announced that it would not raise tuition; therefore, the May Revision maintains these funding levels.

## Significant Adjustments:

- Support for Students Experiencing Homelessness—Building upon the Governor's Budget investment of \$15 million one-time General Fund to address student food and housing insecurity, the May Revision proposes \$6.5 million ongoing General Fund to support rapid rehousing of homeless and housing insecure students.

- Project Rebound—\$750,000 ongoing General Fund to increase support for Project Rebound from \$250,000 per year to \$1,000,000 per year. Project Rebound is a CSU program that provides assistance to formerly incarcerated individuals seeking to enroll in participating CSU campuses.
- First Star Foster Youth Cohort at CSU Sacramento—\$740,000 one-time General Fund to support a First Star Foster Youth Program at CSU Sacramento. This program will enable a cohort of foster youth to engage in a variety of activities that support learning opportunities, such as academic courses for college credit, social and cultural activities, service learning and other recreational activities.

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## CALIFORNIA COMMUNITY COLLEGES

The CCCs are the largest system of higher education in the nation, serving roughly one-quarter of the nation's community college students, or approximately 2.1 million students. The CCCs provide basic skills, career education, and undergraduate transfer education with 73 districts, 115 campuses, and 78 educational centers. In 2017-18, the community colleges awarded more than 96,000 certificates, 160,000 degrees and transferred about 102,000 students to four-year institutions.

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## ONGOING REVIEW OF THE STUDENT-CENTERED FUNDING FORMULA

The Administration remains committed to the Student-Centered Funding Formula and its goals to increase student completion and support for low-income students.

The Governor's Budget proposed a revised implementation plan for the Student-Centered Funding Formula to provide the CCC Chancellor's Office and the Funding Formula Oversight Committee sufficient time to consider revisions that would further the goals of the formula, address its long-term fiscal stability, and improve the accuracy of the data reported by districts. The Administration plans to work with the Chancellor's Office and stakeholders in the coming months to explore revisions and recommendations that meet these goals, with the intent that revisions will be considered for inclusion as part of the development of the 2020-21 budget process. To further align with a revised implementation and review plan, the May Revision extends the existing hold harmless provision of the Student-Centered Funding Formula by an additional year, ensuring that no district will receive less funding than they received in 2017-18 with cost-of-living adjustments for each year until 2021-22.

## Significant Adjustments:

- CCC State Operations Support—An increase of \$381,000 ongoing non-Proposition 98 General Fund for three new positions to support the Chancellor's Office state operations. These positions will support the Chancellor's Office's accounting office, monitor districts' fiscal health and provide technical assistance to districts in need.
- Apportionments Cost-of-Living Adjustment—A decrease of \$18.3 million Proposition 98 General Fund to reflect a change in the cost-of-living adjustment from 3.46 percent to 3.26 percent.
- California College Promise—An increase of \$5.2 million Proposition 98 General Fund to support the existing first year and proposed second year of the California College Promise. This estimate reflects revised estimates of eligible students for the program.
- Student Success Completion Grant—An increase of \$7.5 million Proposition 98 General Fund to reflect revised estimates of participation in the financial aid program.
- Deferred Maintenance—An increase of \$39.6 million one-time Proposition 98 General Fund for deferred maintenance, instructional equipment, and specified water conservation projects.
- Adult Education Program—A decrease of \$1 million Proposition 98 General Fund to reflect a change in the cost-of-living adjustment from 3.46 percent to 3.26 percent.
- Categorical Program Cost-of-Living Adjustment—A decrease of \$860,000 Proposition 98 General Fund to reflect a change in the cost-of-living adjustment from 3.46 percent to 3.26 percent for the Disabled Student Programs and Services program, the Extended Opportunity Programs and Services program, the Apprenticeship program, the Student Services for CalWORKs Students program, the Mandate Block Grant program, and the Campus Child Care Tax Bailout program.
- Foster Care Education Program—An increase of \$400,000 ongoing Proposition 98 General Fund to backfill program funding for foster and relative or kinship care education and training, due to a projected decrease of federal matching funds.
- Local Property Tax Adjustment—An increase of \$76.7 million Proposition 98 General Fund as a result of decreased offsetting local property tax revenues.
- Student Enrollment Fee Adjustment—A decrease of \$15.7 million Proposition 98 General Fund as a result of increased offsetting student enrollment fees.

## CALIFORNIA STUDENT AID COMMISSION

The California Student Aid Commission administers financial aid programs, including the Cal Grant program and the Middle Class Scholarship Program.

Significant Adjustments:

- Cal Grant Program Costs—A decrease of \$14 million General Fund in 2019-20 to account for the following:
  - Participation Estimates—A decrease of \$19.9 million in 2019-20 to reflect a decrease in the estimated number of new recipients in 2018-19. The May Revision also reflects decreased costs of \$4.9 million in 2018-19.
  - Temporary Assistance for Needy Families (TANF) Reimbursements—A decrease of \$5.9 million in 2019-20, which increases the amount of General Fund needed for program costs by a like amount. Combined with reimbursements included in the Governor's Budget, the May Revision offsets approximately \$1.1 billion in General Fund costs for Cal Grants with TANF.
- Cal Grant Access Awards for Student Parents—A decrease of \$24.9 million to reflect revised estimates of the Governor's Budget proposal to increase or provide access awards for students with dependent children attending the UC, CSU, or the CCCs.
- Competitive Awards—An increase of \$2 million to reflect revised estimates of the costs to increase the number of available competitive awards from 25,250 to 30,000.
- Teacher Service Credit Scholarship Program—An increase of \$89.8 million one-time General Fund for the Commission to administer loan forgiveness grants to teachers meeting certain criteria, with priority for school sites with high percentages of teachers with permits or waivers as their authorizations.
- Tuition Award for Students at Private Nonprofit Institutions—To provide private nonprofit institutions with additional time to increase their offerings of Associate Degree for Transfer (ADT) pathways and admissions of ADT students needed to maintain the maximum Cal Grant tuition award for new students attending private nonprofit institutions at \$9,084, the May Revision proposes to shift the required annual ADT admissions goals out one year. Under the revised schedule, private nonprofit institutions will need to meet a goal of 2,000 ADT students admitted in 2019-20, 3,000 students admitted in 2020-21, and 3,500 students admitted in 2021-22 and thereafter.

- State Operations Support—An increase of \$414,000 General Fund to support the implementation of the Cal Grant Supplement for Students with Dependent Children.
- Child Savings Accounts Grant Program—Identifies the Commission as the agency responsible for administering the \$50 million one-time child savings account proposal reflected in the Governor's Budget. The Commission is expected to consult with First 5 California to utilize its strengths in marketing, education, and parent engagement to encourage collaboration between grant applicants and their local First 5 Commissions.
- Student Loan Awareness Initiative—Transfers the administration of the proposed \$5 million one-time General Fund augmentation to support an outreach initiative for student loan borrowers from the Office of Planning and Research to the Commission.

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## HASTINGS COLLEGE OF THE LAW

Hastings College of the Law (Hastings) is affiliated with the UC system, but is governed by its own Board of Directors. Located in San Francisco, it primarily serves students seeking a Juris Doctor degree, but also has masters programs. In 2017-18, Hastings enrolled 934 full-time equivalent students. Of these, 815 were Juris Doctor students.

Since the end of the Great Recession, Hastings has received stable ongoing funding increases. In turn, tuition at Hastings has been flat for eight years. This has kept a quality legal education within reach for hundreds of Californians. The Governor's Budget provided \$1.4 million ongoing General Fund investment to support the college's operations and \$1 million one-time General Fund investment to address deferred maintenance with the expectation that Hastings would not raise resident student tuition in fiscal year 2019-20. In March, the Board of Directors announced that it would not raise tuition; therefore, the May Revision maintains these funding levels.

### Significant Adjustments:

- UC Path Implementation—An increase of \$594,000 one-time General Fund to support the revised implementation timeline of the UC Path payroll, accounting, time keeping, and human resources system.
- Deferred Maintenance—Authorizes the use of the proposed \$1 million one-time General Fund to include support for both critical deferred maintenance needs, and information technology and instructional equipment refreshes.

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## CALIFORNIA STATE LIBRARY

The California State Library serves as the central reference and research library for the Governor and Legislature. Additionally, the State Library provides critical assistance to the 184 library jurisdictions and nearly 1,200 libraries across the state.

Significant Adjustments:

- One-Time Funding to support Early Learning and After-School Library Program Grants—\$5 million one-time General Fund to support grants for local library jurisdictions with the lowest per capita library spending to develop and implement early learning and after-school library programs.
- One-Time Funding to support Mobile Libraries—\$3 million one-time General Fund for the California State Library to support grants for local library jurisdictions to purchase bookmobiles and community outreach vehicles that would be used to expand access to books and library materials in under-resourced neighborhoods.
- Augmentation to support Digitization and Cultural Preservation Activities—\$1.7 million General Fund, approximately \$1 million of which is ongoing, for the California State Library to coordinate with state entities to identify items for digital preservation, contract for digital preservation services, and to begin conducting or commissioning a statewide survey to inventory cultural heritage assets.
- Statewide Lesbian, Gay, Bisexual, and Transgender Historical Preservation—\$500,000 one-time General Fund to support the preservation of historical Lesbian, Gay, Bisexual, and Transgender sites.

