

# **August 2024 Legislative Advocate Report**

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# **CABE Co-Sponsored Bill Update**

The Senate Appropriations Committee sadly held **AB 2071 (J. Carrillo)** and did not move the bill forward as it lacked funding to support the cost of the grant that would be established. While CABE is disappointed, we are already in discussions with the Legislature and Administration regarding opportunities to move this important issue forward in the future. This important bill would have established the English Learner Roadmap Implementation Grant Pilot Program to assist in the implementation of the California English Learner Roadmap Policy. The State Board of Education would have also been tasked with creating a California English Learner Roadmap: Parent Toolkit by 2025. CABE and Californian's Together are co-sponsoring this important measure, which is also a budget priority.

**AB 2074 (Muratsuchi)** passed the Legislature and was sent to the Governor's desk on August 31st. This important legislation would task the California Department of Education (CDE) with creating an implementation plan for the California English Learner Roadmap Policy and also requires designated staff at CDE to serve as a point of reference to ensure the implementation plan created roles out and gets to all the school districts; these staffers would serve as a point of reference and assistance. CABE and Californians Together are asking our members to contact the Governor's office and urge his signature on this bill. **Please contact the Governor's office prior to September 15**th.

### Legislature Closes Shop

The Legislature finished their work for this session recessing on August 31st. They took action on more than 1,300 bills during the month of August.

### **Remaining Legislative Calendar**

August 31 – Last day for each house to pass bills.

August 31 – Legislative recess

September 30 – Last day for Governor to sign or veto bills.

November 5 – General Election.

November 30 – Legislature adjourns.

December 2 – Legislative 2025-26 session convenes.

January 1, 2025 – Statutes take effect.

# **Assembly Budget Committee Discusses Reserves**

The Assembly Budget Committee held an informational hearing in early August on budget reserves to better understand how they are created and can shape California's fiscal health. The hearing focused on the various reserve accounts the state has and how they are funded and impacted by deposits and withdrawals. The <a href="Legislative Analyst's Office">Legislative Analyst's Office</a> noted the state continues to have healthy reserves of \$17.6 billion in the Budget Stabilization Account for use in next year's budget. Jason Sisney, Assembly Speaker Rivas' Budget Director, provided a historical perspective of how any why various limits and reserves were created to give Legislators background for why particular deposits and reserves were created.

The LAO was asked to consider whether the state should increase the total amount that can be put into the Budget Stabilization Account and to contemplate the volatility in personal income taxes and whether or not adequate discretionary funds will be sufficient in the future.

Brian Brennan with the 21<sup>st</sup> Century Alliance stated that California has the 4<sup>th</sup> most volatile tax system in the nation. Scott Graves with the Budget and Policy Center indicated that California had enough funding set aside to weather the end of the economic volatility of the pandemic and that the revenue swings are not always significant, whereas if too much is set aside, it could have a negative impact of savings and not focusing on the needs of California's residents. He recommended that reserves deposited into the Prop. 2 Fund should not count towards the State Appropriations Limit. He also recommends that a portion of excess capital gains revenues should be redirected towards the neediest Californians to help to address economic inequality.

#### **Positive Cash Receipts Continue**

The California <u>Department of Finance</u> (DOF) issued a positive <u>August Finance Bulletin</u>, which indicated the U.S. Real GDP is continuing to grow at a 2.8% seasonally adjusted annualized rate, which was up from 1.4% in the previous quarter. U.S. headline, core, and transportation are all slowing, while shelter inflation fell slightly.

Cash receipts for July have come in above Budget Act forecasts by 10.1%, or \$983 million, which was primarily resulting from strong corporate and personal income tax payments. The cumulative General Fund agency cash receipts have been \$4.2 billion higher than projections since April. Should this trend continue, it could cushion the projected budget shortfall for the next fiscal year. Personal income tax cash receipts totaled \$418 million above the July forecast, while corporation tax cash receipts totaled \$844 million above forecast. Sales and use tax receipts were \$306 million below forecast in July, primarily due to a timing shift of collections.

### **Appropriations Committee Suspense Files**

On August 15<sup>th</sup>, the Assembly and Senate Appropriations Committee's each met separately to decide the fate of approximately 830 bills. During their previous hearings on the Suspense File, around 32 percent of bills, were held, representing 1,009 bills.

# **CABE Bill Update**

Bills that were held in the Appropriation Committees have died and may no longer move forward for this Legislative Session. The following are bills CABE has taken a position on and their final Legislative location:

**AB 1805 (Ta)** – Would require that content standards incorporate the landmark desegregation case, *Mendez v. Westminster,* when they are revised. This bill was sent to the Governor's desk on August 26<sup>th</sup>.

**AB 1821 (Ramos)** – Would ensure California's history is accurately taught, including its treatment of Native Americans with respect to teaching about Spanish missions, as well as the Gold Rush Era. The bill was sent to the Governor's desk on August 31<sup>st</sup>.

**AB 1947 (L. Rivas)** – Would increase the number of allowable staff training days for California State Preschool Program contractors from two to six days, allow professional development hours conducted during regular hours of operation to be considered a day of operation for reimbursement purposes, and require one training day to be focused on supporting dual language learners (DLL) if a contractor enrolls at least 25 percent of DLLs and provides at least three days of staff training. This bill was sent to the Governor's desk on August 26<sup>th</sup>.

**AB 2226 (Muratsuchi)** – Would expand the minimum day for kindergarten programs to full-time beginning in 2026-27. The bill was held in the Senate Appropriations Committee.

**SB 1078 (Min)** – Creates legislative intent to establish an Office of Language Access, which would ensure that California's state agencies are able to provide information to our residents in the languages reflected within California to increase access to services by non-English speakers and equity in existing levels of effectiveness and equity towards all residents. The bill was held in the Assembly Appropriations Committee.