

Assembly Bill No. 134

CHAPTER 254

An act to amend the Budget Act of 2017 (Chapter 14 of the Statutes of 2017) by amending Items 6440-001-0001, 6610-001-0001, and 6870-101-0001 of, and adding Item 3900-101-3228 to, Section 2.00 of that act, relating to the state budget, and making an appropriation therefor, to take effect immediately, budget bill.

[Approved by Governor September 16, 2017. Filed with Secretary of State September 16, 2017.]

LEGISLATIVE COUNSEL’S DIGEST

AB 134, Committee on Budget. Budget Act of 2017.

The Budget Act of 2017 made appropriations for the support of state government for the 2017–18 fiscal year.

This bill would amend the Budget Act of 2017 by amending and adding items of appropriation.

This bill would declare that it is to take effect immediately as a Budget Bill.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Item 3900-101-3228 is added to Section 2.00 of the Budget Act of 2017, to read:

3900-101-3228—For local assistance, State Air Resources Board, payable from the Greenhouse Gas Reduction Fund

.....	900,000,000
Schedule:	
(1) 3500-Mobile Source.....	85,000,000
(2) 3510-Climate Change.....	560,000,000
(3) 3530-Community Air Protection.....	255,000,000

Provisions:

1. Notwithstanding any other law, the funds appropriated in Schedule (1) shall be used to reduce agricultural sector emissions by providing grants, rebates, and other financial incentives for agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations.

2. The funds appropriated in Schedule (2) shall be used as follows:
 - (a) Up to \$140,000,000 shall be used for the Freight Equipment Advanced Demonstration and Pilot Commercial Deployment Project, including for projects for ships at birth. Funds available under this subdivision (a) shall not be allocated for the purchase of fully automated cargo handling equipment. For the purposes of this paragraph, “fully automated” means equipment that is remotely operated or remotely monitored, with or without the exercise of human intervention or control. This subdivision (a) does not prohibit the use of the funds specified in this subdivision (a) for a project that includes the purchase of human-operated zero-emission equipment, human-operated near-zero-emission equipment, and infrastructure supporting that human-operated equipment. Furthermore, this subdivision (a) does not prohibit the purchase of devices that support that human-operated equipment, including equipment to evaluate the utilization and environmental benefits of that human-operated equipment.
 - (b) Up to \$180,000,000 shall be used for the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project.
 - (1) To help facilitate the reductions of pollutants in communities from exposure to heavy-duty diesel truck emissions, as part of developing the 2017–18 fiscal year Funding Plan for Low Carbon Transportation and Fuels Investments and the Air Quality Improvement Program, the State Air Resources Board shall consider forthcoming technological innovations in heavy-duty vehicle engines, along with market demand for those vehicles that are expected to come to market during the 2017–18 fiscal year.
 - (2) Of the amount appropriated in this subdivision (b), at least \$35,000,000 shall be used for the purchase of zero-emission buses.
 - (c) Up to \$140,000,000 shall be used for the Clean Vehicle Rebate Project.
 - (1) The State Air Resources Board shall work with the Labor and Workforce Development Agency to develop procedures for certifying manufacturers of vehicles included in the

- Clean Vehicle Rebate Project as being fair and responsible in the treatment of their workers. It is the intent of the Legislature that beginning in 2018–19 fiscal year, the Labor Secretary shall first certify manufacturers as fair and responsible in the treatment of their workers before their vehicles are included in any rebate program funded with state funds.
- (2) Notwithstanding subdivision (d) of Section 44274.3 of the Health and Safety Code, income limits for the clean vehicle rebates established in Section 44274.3 of Health and Safety Code shall apply to the use of the funds specified in this subdivision (c) on and after July 1, 2017.
 - (d) Up to \$100,000,000 shall be used for the Enhanced Fleet Modernization Program and Plus-Up Pilot Project, replacement of school buses, Clean Vehicle Rebate Project rebates for low-income applicants, and light-duty equity pilot projects authorized pursuant to Chapter 530 of the Statutes of 2014.
3. The funds appropriated in Schedule (3) shall be used as follows:
 - (a) Up to \$250,000,000 shall be distributed as follows: 43 percent to the South Coast Air Quality Management District, 32 percent to the San Joaquin Valley Unified Air Pollution Control District, 20 percent to the Bay Area Air Quality Management District, and five percent to the State Air Resources Board for distribution to other districts in the state as determined by the board in consultation with the districts. The three districts specified in this subdivision (a) shall use the funds to implement projects pursuant to the Carl Moyer Memorial Air Quality Standards Attainment Program (Ch. 9 (commencing with Sec. 44275). Pt. 5, Div. 26, H. & S.C.), except that at its discretion, a district may allocate up to 40 percent of the funds it receives to incentivize clean trucks in accordance with the State Air Resources Board’s Proposition 1B Guidelines, relative to funding amounts and truck evaluation. The districts may use up to 6.25 percent of the funds specified in this subdivision (a) to pay the reasonable costs of administering the incentive programs. Additionally, in consultation and coopera-

tion with the districts, the board may do both of the following:

- (1) Apply funding expended pursuant to this subdivision (a) to achieve early actions to comply with the strategy and community action programs established pursuant to Section 44391.2 of the Health and Safety Code.
 - (2) Target funding within air basins to achieve the maximum public health and air quality benefits.
- (b) Up to \$5,000,000 shall be used for technical assistance grants for community organizations to fund activities that assist in their participation in the implementation of Chapter 136 of the Statutes of 2017. Eligible expenditures include, but are not limited to, hiring consultants and technical experts, and travel and other associated meeting costs.
4. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2019, for support or local assistance, and shall be available for liquidation until June 30, 2021. Not more than five percent of the funds allocated to each program specified in Provisions 1 and 2, and subdivision (a) of Provision 3, shall be used for administrative costs.

SEC. 2. Item 6440-001-0001 of Section 2.00 of the Budget Act of 2017 is amended to read:

6440-001-0001—For support of University of California..... 3,026,235,000

Schedule:

(1) 5440-Support..... 3,026,235,000

Provisions:

- 1. This appropriation is exempt from Sections 6.00 and 31.00.
- 2. (a) The Regents of the University of California shall implement measures to reduce the university’s cost structure.
- (b) The Legislature finds and declares that many state employees hold positions with comparable scope of responsibilities, complexity, breadth of job functions, experience requirements, and other relevant factors to those employees designated to be in the Senior Management Group pursuant to existing Regents policy.
- (c) (1) Therefore, at a minimum, the Regents shall, when considering compensation for any em-

ployee designated to be in the Senior Management Group, use a market reference zone that includes state employees.

- (2) At a minimum, the Regents shall identify all comparable positions from the lists included in subdivision (I) of Section 8 of Article III of the California Constitution and Article 1 (commencing with Section 11550) of Chapter 6 of Part 1 of Division 3 of Title 2 of the Government Code.
- 2.1 (a) It is the expectation of the Legislature that the University of California do all of the following:
- (1) Complete pilot programs of activity-based costing at the Riverside campus in the College of Humanities, Arts, and Social Sciences, and at two other campuses in three departments each no later than May 1, 2018.
 - (2) Attain a ratio at each of its campuses, except for the Merced and San Francisco campuses, of at least one entering transfer student for every two entering freshman students beginning in the 2018–19 academic year.
 - (3) Take the actions of the Regents of the University of California and the University of California Office of the President that are directed by the California State Auditor in its audit report “Report 2016-130,” dated April 25, 2017, regarding the University of California Office of the President, by April 1, 2018.
 - (4) Adopt a policy that does not provide supplemental retirement payments for any new employee designated to be in the Senior Management Group no later than May 1, 2018.
 - (5) Disclose all revenues and expenditures, including carryover funds, and provide a full description of systemwide and presidential initiatives, including their sources of revenue and a justification of how they further the mission of the university, to the Senate Education Committee, the Assembly Higher Education Committee, the Senate Budget Subcommittee Number 1 on Education, and the Assembly Budget Subcommittee Number 2 on Education Finance, beginning with the 2018–19 fiscal year.

- (b) (1) Of the funds appropriated in this item, \$50,000,000 shall be released only if the Director of Finance certifies that the Regents of the University of California provided sufficient evidence, no later than May 1, 2018, to demonstrate that the university demonstrated a good faith effort to satisfy the expectation enumerated in subdivision (a) by taking all possible actions to do so.
 - (2) The Regents of the University of California shall also submit any evidence to the Joint Legislative Budget Committee.
 - (3) It is the intent of the Legislature that, if funds are not released pursuant to paragraph (1), the university shall not make changes that harm campus operations.
- 2.2 (a) It is the expectation of the Legislature that:
- (1) The university enroll at least 1,500 more resident undergraduate students in the 2018–19 academic year compared to the number of resident undergraduate students enrolled in the 2017–18 academic year.
 - (2) At least one additional transfer student is enrolled for every two additional freshman students enrolled pursuant to this provision.
 - (3) Costs of resident undergraduate students enrolled pursuant to this provision can be funded by redirecting funds from systemwide programs or other programs and expenditures at the Office of the President.
 - (4) The state and the university share the costs of enrollment, with the further expectation that the state regularly review the university's cost structure and the state's fiscal condition.
- (b) (1) The University of California Office of the President, following enactment of this budget, shall consult with the Legislature and the Department of Finance regarding (A) the existing programs budgeted at the Office of the President and (B) possible changes to those programs to support enrollment.
- (2) The University of California Office of the President shall provide information to the Legislature and the Department of Finance, no later than December 1, 2017, on (A) the existing programs budgeted at the Office of the President, (B) any proposed changes to

- those programs to support enrollment, and (C) the rationale for those proposed changes.
- (3) It is intent of the Legislature to make decisions, including but not limited to decisions about enrollment, in the Budget Act of 2018 using the information provided pursuant to paragraph (2).
- 2.3 It is the expectation of the Legislature that:
- (a) The University of California enroll an additional 500 graduate students in the 2017–18 academic year compared to the number enrolled in the 2016–17 academic year.
 - (b) The university prioritize enrollment of resident graduate students.
 - (c) The university enroll at least as many resident graduate students as nonresident graduate students.
- 2.4 Of the funds appropriated in this item:
- (a) \$1,500,000 shall be used for the Statewide Database at the Berkeley campus.
 - (b) \$300,000 shall be used for the Summer Institute for Emerging Leaders as follows:
 - (1) \$150,000 shall be used for program services for additional resident students.
 - (2) \$150,000 shall be used for a program lead at the University of California Office of the President.
- 2.5 Of the funds appropriated in this item, the following amounts are provided on a one-time basis:
- (a) \$2,500,000 for a program that allocates funds to any campus that designates itself as a “hunger free campus,” as defined in Section 66027.8 of the Education Code.
 - (b)
 - (1) \$2,000,000 for the creation or expansion of equal employment opportunity programs. Funding should be distributed to selected departments on campuses seeking to create or expand equal employment opportunity programs.
 - (2) The University of California shall submit, no later than December 1, 2017, a report to the Legislature, in conformity with Section 9795 of the Government Code, that describes uses of these funds and indicates the number of ladder-rank faculty at the university, disaggregated by race, ethnicity, and gender.

- (c) \$2,000,000 for grants administered by the Wildlife Health Center at the Davis campus to local marine mammal stranding networks.
- (d) \$100,000 for grants administered by the Wildlife Health Center at the Davis campus for purposes of large whale entanglement response.
- 3. (a) The Controller shall transfer funds from this appropriation upon receipt of a report from the Department of Finance indicating the amount of debt service anticipated to become due and payable in the fiscal year associated with state general obligation bonds issued for university projects.
- (b) The Controller shall return funds to this appropriation upon receipt of a report from the Department of Finance.
- 4. Payments made by the state to the University of California for each month from July through April shall not exceed one-twelfth of the amount appropriated in this item, less the amount that is expected to be transferred pursuant to Provision 3. Transfers of funds pursuant to Provision 3 shall not be considered payments made by the state to the university.
- 5. Of the funds appropriated in this item, \$1,000,000 shall be used for the California DREAM Program, which is established pursuant to Article 23 (commencing with Section 70030) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.

SEC. 3. Item 6610-001-0001 of Section 2.00 of the Budget Act of 2017 is amended to read:

6610-001-0001—For support of California State University.... 3,405,310,000
 Schedule:
 (1) 5560-Support..... 3,405,310,000
 Provisions:
 1. This appropriation is exempt from Sections 6.00 and 31.00.
 1.1 (a) Of the funds appropriated in this item, \$20,000,000 is for enrollment of an additional 2,487 full-time equivalent resident students in the 2017–18 academic year compared to the number of full-time equivalent students enrolled in the 2016–17 academic year.
 (b) It is the intent of the Legislature that these funds be used to enroll new students at the university.
 1.2 Of the funds appropriated in this item, the following amounts are provided on a one-time basis:
 (a) \$12,500,000 for the Graduation Initiative.

- (b) \$3,000,000 for the California State University, San Bernardino, Palm Desert Campus.
 - (c) \$2,500,000 for a program that allocates funds to any campus that designates itself as a “hunger free campus,” as defined in Section 66027.8 of the Education Code.
 - (d) (1) \$2,000,000 for the creation or expansion of equal employment opportunity programs. Funding should be distributed to selected departments on campuses seeking to create or expand equal employment opportunity programs.
(2) The California State University shall submit, no later than December 1, 2017, a report to the Legislature, in conformity with Section 9795 of the Government Code, that describes uses of these funds and indicates the number of ladder-rank faculty at the university, disaggregated by race, ethnicity, and gender.
- 1.3 No later than January 15, 2018, the Trustees of the California State University shall report to the Legislature regarding both of the following:
- (a) Opportunities for campuses to make more courses available by reducing the number of units earned in excess of degree requirements.
 - (b) The specific activities undertaken, and spending for each activity undertaken, to meet the state’s goals for student success, including activities to close achievement gaps by improving outcomes for low-income students, first-generation college students, and students from underrepresented minority groups.
- 1.4 No later than May 1, 2018, the Trustees of the California State University shall change university policies and practices related to placement of students in remedial or developmental programs and activities, including placing significant weight in the determination of placement for first-time freshmen on courses taken in high school and grades in high school courses.
- 1.5 No later than May 1, 2018, the Trustees of the California State University shall approve a policy to automatically redirect to programs or campuses that are not impacted any application submitted by a student who meets the minimum systemwide qualifications but is denied admission to an impacted program or campus.
- 1.6 (a) No later than May 16, 2018, the Trustees of the California State University shall approve a policy that requires campuses to provide first priority in admis-

- sions to impacted programs to local students who meet minimum systemwide qualifications.
- (b) This policy shall include both local first-time freshmen and local upper-division transfer students and be consistent with the provisions of the Student Transfer Achievement Reform Act (Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5 of Title 3 of the Education Code).
2. (a) The Controller shall transfer funds from this appropriation as follows:
 - (1) For base rental as and when provided for in any schedule submitted by the State Public Works Board. Notwithstanding the payment dates in any related Facility Lease or Indenture, the schedule may provide for an earlier transfer of funds to ensure debt requirements are met and base rental payments are paid in full when due.
 - (2) No later than 30 days after enactment of this budget, \$104,000, for additional rental, to the Expense Account in the Public Buildings Construction Fund.
 - (3) For debt service anticipated to become due and payable in the fiscal year associated with state general obligation bonds issued for university projects upon receipt of any report from the Department of Finance.
 - (b) The Controller shall return funds to this appropriation if directed pursuant to a report from the Department of Finance.
3. Payments made by the state to the California State University for each month from July through April shall not exceed one-twelfth of the amount appropriated in this item, less the amount that is expected to be transferred pursuant to Provision 2. Transfers of funds pursuant to Provision 2 shall not be considered payments made by the state to the university.
 4. Of the funds appropriated in this item, \$2,000,000 shall be used for the California DREAM Program, which is established pursuant to Article 23 (commencing with Section 70030) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code.

SEC. 4. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2017 is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98).....	4,143,737,000
Schedule:	
(1) 5670015-Appportionments.....	2,631,924,000
(2) 5670019-Apprenticeship.....	32,745,000
(3) 5670023-Apprenticeship Training and Instruction.....	22,127,000
(4) 5675015-Student Success for Basic Skills Students.....	50,037,000
(5) 5675019-Student Financial Aid Administration.....	72,775,000
(6) 5675027-Disabled Students.....	117,188,000
(7) 5675031-Student Services for Cal-WORKs Recipients.....	44,260,000
(8) 5675035-Foster Care Education Program.....	5,254,000
(9) 5675039-Student Success and Support Program.....	557,363,000
(10) 5675061-Academic Senate for the Community Colleges.....	768,000
(11) 5675069-Equal Employment Opportunity.....	2,767,000
(12) 5675073-Part-Time Faculty Health Insurance.....	490,000
(13) 5675077-Part-Time Faculty Compensation.....	24,907,000
(14) 5675081-Part-Time Faculty Office Hours.....	12,172,000
(15) 5675099-Telecommunications and Technology Infrastructure.....	33,890,000
(16) 5675119-Economic Development.....	270,929,000
(17) 5675123-Transfer Education and Articulation.....	698,000
(18) 5675023-Extended Opportunity Programs and Services.....	125,111,000
(19) 5675115-Fund for Student Success.....	8,658,000
(20) 5675150-Campus Childcare Tax Bailout.....	3,437,000
(21) 5675156-Nursing Program Support.....	13,378,000
(22) 5670035-Expand the Delivery of Courses through Technology.....	23,000,000
(23) 5675174-Higher Education Innovation Awards.....	20,000,000
(24) 5675133-Physical Plant and Instructional Support.....	69,859,000

Provisions:

1. The funds appropriated in this item are for transfer by the Controller during the 2017–18 fiscal year to Section B of the State School Fund.
2. (a) The funds appropriated in Schedule (1) shall be allocated using the budget formula established pursuant to Section 84750.5 of the Education Code. The budget formula shall be adjusted to reflect the following:
 - (1) Of the funds appropriated in Schedule (1), \$57,794,000 shall be used to increase statewide growth of full-time equivalent students (FTES) by 1.00 percent.
 - (2) Of the funds appropriated in Schedule (1), \$97,573,000 shall be used to reflect a cost-of-living adjustment of 1.56 percent.
 - (3) Notwithstanding paragraph (1), the Chancellor’s Office may allocate unused growth funding to backfill any unanticipated shortfalls in the total amount of funding appropriated to support the budget formula established pursuant to Section 84750.5 of the Education Code.
- (b) Funds allocated to a community college district from funds included in Schedule (1) shall directly offset any mandated costs claimed for the Minimum Conditions for State Aid (02-TC-25 and 02-TC-31) program or any costs of complying with Section 84754.5 of the Education Code.
- (c) Of the funds appropriated in Schedule (1):
 - (1) \$100,000 is for a maintenance allowance, pursuant to Section 54200 of Title 5 of the California Code of Regulations.
 - (2) Up to \$500,000 is to reimburse colleges for the costs of federal aid repayments related to assessed fees for fee waiver recipients. This reimbursement only applies to students who completely withdraw from college before the census date pursuant to Section 58508 of Title 5 of the California Code of Regulations.
- (d) Of the funds appropriated in Schedule (1), \$183,615,000 shall be used to adjust the budget formula pursuant to Section 84750.5 of the Education Code to recognize increases in operating expenses.
3. (a) The funds appropriated in Schedule (2) shall be available pursuant to Article 3 (commencing with

- Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.
- (b) Pursuant to Section 79149.3 of the Education Code, the reimbursement rate shall be \$5.90 per hour.
 - (c) Of the funds appropriated in Schedule (2), \$15,000,000 shall be used for the California Apprenticeship Initiative pursuant to Section 79148 of the Education Code. Funds appropriated pursuant to this subdivision shall be available for encumbrance or expenditure until June 30, 2020.
4. (a) The funds appropriated in Schedule (3) shall be available pursuant to Article 8 (commencing with Section 8150) of Chapter 1 of Part 6 of Division 1 of Title 1 of the Education Code.
- (b) Pursuant to Section 8152 of the Education Code, the reimbursement rate shall be \$5.90 per hour.
5. Of the funds appropriated in Schedule (4):
- (a) Up to \$2,502,000 shall be used for faculty and staff development to improve curriculum, instruction, student services, and program practices in basic skills and English as Second Language programs pursuant to Section 88815 of the Education Code.
 - (b) Remaining funding shall be allocated by the chancellor to community college districts to improve outcomes of students who enter college needing to complete at least one course in English as a Second Language or basic skills pursuant to Section 88815 of the Education Code.
6. (a) Of the funds appropriated in Schedule (5):
- (1) Not less than \$16,049,000 is available to provide \$0.91 per unit reimbursement to community college districts for the provision of board of governors (BOG) fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.
 - (2) Not less than \$16,226,000 is available for the Board Financial Assistance Program to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of BOG fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.
 - (3) (A) \$5,300,000 shall be allocated to a community college district to conduct a statewide

media campaign to promote the following message: (i) the California Community Colleges are affordable, (ii) financial aid is available to cover fees and help with books and other costs, and (iii) an interested student should contact his or her local community college financial aid office. The campaign should target efforts to reach low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. The community college district awarded the contract shall consult regularly with the chancellor and the Student Aid Commission.

- (B) Of the amount identified in subparagraph (A), \$2,500,000 shall be allocated to expand: (i) outreach for students from non-English speaking households and bilingual households, (ii) marketing and outreach aimed at baccalaureate degree pilot programs, and (iii) marketing and outreach aimed at increasing current and future student awareness of the Board of Governors Fee Waiver. Bilingual efforts shall target areas of the state that meet at least one of the following conditions: (i) have concentrations of non-English speaking and bilingual households, or (ii) have underserved populations and/or a history of declining community college attendance.
- (4) Not more than \$35,200,000 shall be for direct contact with potential and current financial aid applicants. Each California Community College campus shall receive a minimum allocation of \$50,000. The remainder of the funding shall be allocated to campuses based upon a formula reflecting FTES weighted by a measure of low-income populations demonstrated by BOG fee waiver program participation within a district.
- (5) Funds allocated to a community college district pursuant to paragraphs (1) and (2) shall supplement, not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 or 2006–07 fiscal year, whichever is greater.

- (6) Funding allocated to a community college district pursuant to paragraphs (1) and (2) shall directly offset any costs claimed by that district for any of the following mandates: Enrollment Fee Collection (99-TC-13), Enrollment Fee Waivers (00-TC-15), Cal Grants (02-TC-28), and Tuition Fee Waivers (02-TC-21).
 - (7) Notwithstanding subdivision (m) of Section 76300 of the Education Code or any other provision of law, the amount of funds appropriated for the purpose of administering fee waivers for the 2017–18 fiscal year shall be determined in this act.
7. (a) The funds appropriated in Schedule (6) shall be used to assist districts in funding the excess direct instructional cost of providing special support services or instruction, or both, to disabled students enrolled at community colleges and for state hospital programs, as mandated by federal law.
- (b) Of the amount appropriated in Schedule (6):
- (1) At least \$3,945,000 shall be used to address deficiencies identified by the United States Department of Education Office for Civil Rights.
 - (2) At least \$943,000 shall be used to support the High Tech Centers for activities including, but not limited to, training of district employees, staff, and students in the use of specialized computer equipment for the disabled.
 - (3) At least \$9,600,000 shall be allocated to community college districts for sign language interpreter services, real-time captioning equipment, or other communication accommodations for hearing-impaired students. A community college district is required to spend \$1 from local or other resources for every \$4 received pursuant to this paragraph.
 - (4) \$1,000,000 shall be allocated for state hospital adult education programs at the hospitals served by the Coast and Kern Community College Districts.
8. (a) The funds appropriated in Schedule (7) shall be allocated pursuant to Article 5 (commencing with Section 79200) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.

- (b) Of the amount appropriated in Schedule (7):
 - (1) \$9,188,000 is for child care, except that a community college district may request that the chancellor approve the use of funds for other purposes.
 - (2) No less than \$4,900,000 shall be used to provide direct workstudy wage reimbursement for students served under this program, and \$613,000 is available for campus job development and placement services.
- (c) A community college district is required to spend \$1 from local or other resources for every \$1 received pursuant to this provision, except for any funds received pursuant to paragraph (1) of subdivision (b).
- 9. (a) The funds appropriated in Schedule (8) shall be allocated to community college districts to provide foster and relative/kinship care education and training pursuant to Article 8 (commencing with Section 79420) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. A community college district shall ensure that education and training required pursuant to Sections 1529.1 and 1529.2 of the Health and Safety Code and Section 16003 of the Welfare and Institutions Code receive priority.
- 10. (a) The funds appropriated in Schedule (9) shall be used for the purposes of Article 1 (commencing with Section 78210) of Chapter 2 of Part 48 of Division 7 of Title 3 of the Education Code.
- (b) Of the amount included in Schedule (9):
 - (1) \$285,183,000 shall be allocated pursuant to Section 78216 of the Education Code.
 - (2) (A) \$160,000,000 shall be allocated to community college districts to implement student equity plans pursuant to Article 1.5 (commencing with Section 78220) of Chapter 2 of Part 48 of Division 7 of Title 3 of the Education Code. These plans shall be coordinated with the Student Success and Support Program plans, pursuant to Section 78216 of the Education Code, and the Student Success Scorecard, pursuant to Section 84754.5 of the Education Code.
 - (B) These funds shall be allocated by the chancellor to community college districts using a methodology that ensures that

districts with a greater proportion or number of students who have high needs receive more resources to provide services to these students. The chancellor shall ensure that the allocation methodology reflects the inclusion of foster youth within the proportion or number of high-needs students.

- (C) Consistent with the intent of Chapter 771 of the Statutes of 2014 and within the funds allocated to community college districts pursuant to this paragraph, the chancellor shall enter into agreements with up to 10 community college districts to provide additional services in support of postsecondary education for foster youth. Up to \$15,000,000 of the funds allocated to community college districts pursuant to this paragraph shall be prioritized for services pursuant to Chapter 771 of the Statutes of 2014. Further, the chancellor shall ensure that the list of eligible expenditures developed pursuant to subdivision (d) of Section 78221 of the Education Code includes expenditures that are consistent with the intent of Chapter 771 of the Statutes of 2014.
- (D) Nothing in this provision prevents existing student-equity related categorical programs or campus-based programs from accessing student equity plan funds.
- (E) Increased services for high-needs students may include the development of open educational resources and zero-textbook-cost degrees that reduce costs for students. Community college districts utilizing resources for this purpose are encouraged to first develop open educational resources and zero-textbook-cost degrees for courses that are transferable to the California State University and the University of California and for approved associates degrees for transfer. Open educational resources and zero-textbook-cost degrees developed by a

community college district pursuant to this provision shall make the applicable course materials and curriculum available to all community college districts through the online clearinghouse of information identified in Provision 10 (b)(4)(B) of this item.

- (F) Community college districts shall ensure that veterans and programs for veterans are appropriately reflected in their student equity plan goals and in the coordination of services for the targeted student populations.
 - (G) \$5,000,000 of the funds allocated pursuant to this paragraph shall be for support of Veteran Resource Centers.
 - (i) By January 1, 2018, the Chancellor of the California Community Colleges shall develop a set of minimum standards that are associated with high-functioning veterans resource centers. These standards should consider the different needs, size, and capacity of community colleges across the state. Further, these standards should balance the desire to have a highly effective and supportive veterans resource center with the goal of expanding veterans resource centers across the state.
 - (ii) To the extent funding is provided in the annual Budget Act, the chancellor shall only allocate funding to community colleges that commit to either meeting and/or making progress towards meeting the minimum standards developed in subparagraph (i).
- (3) (A) \$7,500,000 may be used by the chancellor to provide technical assistance to community college districts that demonstrate low performance in any area of operations. It is the intent of the Legislature that technical assistance providers be contracted in a cost-effective manner, that they primarily consist of experts who are current and former employees of the California Community Colleges, and that they provide technical assistance

consistent with the vision for the California Community Colleges.

- (B) Technical assistance funded pursuant to this paragraph that is initiated by the chancellor may be provided at no cost to the district. If a community college district requests technical assistance, the district is required to spend at least \$1 from local or other resources for every \$2 received as determined by the chancellor.
- (4) (A) \$20,000,000 may be used by the chancellor to provide regional and online workshops and trainings to community college personnel to promote statewide priorities, including, but not limited to, strategies to improve student achievement; strategies to improve community college operations; and system leadership training to better coordinate planning, implementation, and outcomes of statewide initiatives. To the extent possible, the chancellor shall partner with existing statewide initiatives with proven results of improving student success and institutional effectiveness. Each fiscal year, the chancellor shall submit a report on the use of funds appropriated pursuant to paragraphs (3) and (4) of this provision in the prior year to the Department of Finance and the Joint Legislative Budget Committee no later than December 31 of each year. This report shall include information regarding California Community Colleges' participation in the activities funded pursuant to paragraphs (3) and (4) of this provision, and the California Community Colleges' progress toward their goals for each of the institutional effectiveness indicators.
- (B) Funding available pursuant to this paragraph may be utilized by the chancellor to coordinate with community college districts to develop and disseminate effective practices through the establishment of an online clearinghouse of information. The development of effective practices shall include, but not be limited to, statewide priorities such as the development of educational programs or

courses for the incarcerated adults in prisons and jails, and the formerly incarcerated, educational programs or courses for California Conservation Corps members, and other effective practices. The online clearinghouse of information shall also reflect effective practices, guidance, policies, curriculum, courses, and programs developed by local community colleges in support of the Strong Workforce Program established pursuant to Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code.

- (C) It is the intent of the Legislature to encourage the chancellor to facilitate the development of local community college courses for the California Conservation Corps and the incarcerated adults in prisons and jails, and the formerly incarcerated. The Department of Corrections and Rehabilitation and the California Conservation Corps are encouraged to partner with the chancellor's office in the development and dissemination of local community college courses and effective practices pursuant to this subparagraph and subparagraph (B).
- (5) (A) \$63,618,000 shall be used on a one-time basis to support the Guided Pathways Grant Program pursuant to Part 54.8 (commencing with Section 88920) of Division 7 of Title 3 of the Education Code. Of the amounts appropriated in this subparagraph and in Section 41207.43 of the Education Code, up to 10 percent may be used to augment subparagraph (A) of paragraph (4) of this subdivision to provide specialized training to support guided pathways.
- (B) Funds appropriated pursuant to this paragraph shall be available for encumbrance or expenditure until June 30, 2022.
- (6) Up to \$14,000,000 may be used for e-transcript, e-planning, and common assessment tools. Any remaining funds shall be used pursuant to paragraph (1).

- (c) Of the amount included in Schedule (9), up to \$7,000,000 shall be available for distribution to California Community Colleges to provide emergency student aid to students with identified need who are exempt from paying nonresident tuition under Section 68130.5 of the Education Code and who apply for financial aid using the application established by the Student Aid Commission pursuant to subdivision (b) of Section 69508.5 of the Education Code, known as the Dream Act Application. The Office of the Chancellor of the California Community Colleges shall distribute funds to community colleges that request funding for this purpose. The funds shall be distributed based on the number of students enrolled at the community college who are exempt from paying nonresident tuition under Section 68130.5 of the Education Code. Community colleges that receive funding pursuant to this paragraph shall report to the chancellor's office regarding the number of students served and the amount of financial aid provided. Any funds not needed for this purpose shall instead be available for purposes of subparagraph (A) of paragraph (2) of subdivision (b) of this provision. The chancellor's office shall develop administrative guidance to clarify the requirements of this subdivision.
- 11. The funds in Schedule (13) shall be allocated to increase compensation for part-time faculty. Funds shall be allocated to districts based on the total actual number of FTES in the previous fiscal year, with an adjustment to the allocations provided to small districts. These funds shall be used to assist districts in making part-time faculty salaries more comparable to full-time salaries for similar work, as determined through collective bargaining in each community college district. If a community college district achieves parity between compensation for full-time faculty and part-time faculty, funds received pursuant to this provision may be used for any other educational purpose.
- 12. Of the funds provided in Schedule (15):
 - (a) \$27,890,000 shall be allocated by the chancellor on a competitive basis, for the following purposes:
 - (1) Provision of access to statewide multimedia hosting and delivery services for state colleges and districts.

- (2) Provision of systemwide Internet, audio bridging, data security, and telephony.
 - (3) Technical assistance and planning, cooperative purchase agreements, and faculty and staff development.
 - (4) Ongoing support for the California Virtual Campus Distance Education Program.
 - (5) Ongoing support for programs designed to use technology in assisting accreditation and the alignment of curricula across K–20 segments in California.
 - (6) Support for technology pilots and ongoing technology programs and applications that serve to maximize the utility and economy of scale of the technology investments of the community college system toward improving learning outcomes.
 - (7) Ongoing support of the California Partnership for Achieving Student Success (Cal-PASS) program.
- (b) \$6,000,000 shall be used to develop an Integrated Library System. These funds shall be available for encumbrance until June 30, 2019.
- (c) The remaining funds shall be available for allocations to districts to maintain technology capabilities.
13. Of the funds appropriated in Schedule (16):
- (a) \$22,929,000 is available for the following purposes:
 - (1) Up to 10 percent may be allocated for state-level technical assistance, including statewide network leadership, organizational development, coordination, and information and support services.
 - (2) All remaining funds shall be allocated for programs that target investments in priority and emergent sectors, including statewide and/or regional centers, hubs, collaborative communities, advisory bodies, and short-term grants. Short-term grants may include industry-driven regional education and training, Responsive Incumbent Worker Training, and Job Development Incentive Training. Funds allocated pursuant to this provision may be used to provide substantially similar services in support of the Strong Workforce Program.

- (3) Funds applied to performance-based training shall be matched by a minimum of \$1 contributed by private businesses or industry for each \$1 of state funds. The chancellor shall consider the level of involvement and financial commitments of business and industry in making awards for performance-based training.
- (b) \$248,000,000 shall be available to support the Strong Workforce Program pursuant to Part 54.5 (commencing with Section 88820) of Division 7 of Title 3 of the Education Code.
- 14. (a) The funds appropriated in Schedule (17) shall be used to support transfer and articulation projects and common course numbering projects.
- (b) Funding provided to community college districts shall directly offset any costs claimed by community college districts to be mandates pursuant to Chapter 737 of the Statutes of 2004.
- 15. (a) Of the funds appropriated in Schedule (18):
 - (1) \$109,248,000 shall be used pursuant to Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. Funds provided in this item for Extended Opportunity Programs and Services shall be available to students on all campuses within the California Community Colleges system.
 - (3) \$15,863,000 shall be used for funding, at all colleges, the Cooperative Agencies Resources for Education program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The chancellor shall allocate these funds to local programs on the basis of need for student services.
- (b) Of the amount allocated pursuant to subdivision (a), no less than \$4,972,000 shall be available to support additional textbook assistance grants to community college students.
- 16. The funds appropriated in Schedule (19) shall be used for the following purposes:
 - (a) \$1,921,000 shall be used for the Puente Project to support up to 75 colleges. These funds are available if matched by \$200,000 of private funds and if the participating community colleges and University of California campuses maintain their

- 1995–96 fiscal year support level for the Puente Project. All funding shall be allocated directly to participating districts in accordance with their participation agreement.
- (b) Up to \$2,459,000 is for the Mathematics, Engineering, Science Achievement (MESA) program. A community college district is required to spend \$1 from local or other resources for every \$1 received pursuant to this subdivision.
 - (c) No less than \$1,778,000 is for the Middle College High School Program. With the exception of special part-time students at the community colleges pursuant to Sections 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state apportionment.
 - (d) No less than \$2,500,000 is for the Umoja program.
17. The funds appropriated in Schedule (20) shall be allocated by the chancellor to community college districts that levied child care permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8329 and 8330 of the Education Code in an amount proportional to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its child care and development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased or decreased by any cost-of-living adjustment granted in subsequent fiscal years. These funds shall be used only for the purpose of community college child care and development programs.
18. Of the funds appropriated in Schedule (21):
- (a) \$8,475,000 shall be used to provide support for nursing programs.
 - (b) \$4,903,000 shall be used for diagnostic and support services, preentry coursework, alternative program delivery model development, and other services to reduce the incidence of student attrition in nursing programs.
19. Of the funds appropriated in Schedule (22):
- (a) \$20,000,000 shall be allocated to the chancellor to increase the number of courses available through the use of technology and to provide alternative methods for students to earn college credit. These funds may be used to pay for a consistent learning management system to help

implement this program. The chancellor shall ensure, to the extent possible, that the following conditions are satisfied:

- (1) These courses can be articulated across all community college districts.
 - (2) These courses are made available to students systemwide, regardless of the campus at which a student is enrolled.
 - (3) Students who complete these courses are granted degree-applicable credit across community colleges.
 - (4) These funds shall be used for those courses that have the highest demand, fill quickly, and are prerequisites for many different degrees.
- (b) By September 1 of each fiscal year, up to \$3,000,000 shall be disbursed by the Office of the Chancellor of the California Community Colleges to one or more community college districts to provide digital course content to inmates under the jurisdiction of the Department of Corrections and Rehabilitation who are enrolled in one or more California Community College courses. The provision of this digital course content is expected to enable community college districts to provide instruction to incarcerated adults.
- (1) To the extent possible, community college districts providing digital course content pursuant to this paragraph are encouraged to first use open educational resources.
 - (2) Notwithstanding any other law, a contract between the Office of the Chancellor of the California Community Colleges and a community college district for purposes of this subdivision is not subject to any competitive bidding requirements of Section 10340 of the Public Contract Code.
20. The Office of the Chancellor of the California Community Colleges shall annually report by December 1 of each year through 2021, on the racial/ethnic and gender composition of faculty, and efforts to assist campuses in providing equal employment opportunity in faculty recruitment and hiring practices as well as systemwide training, monitoring, and compliance activities.

21. Funds appropriated in Schedule (23) are provided on a one-time basis pursuant to Section 66010.98 of the Education Code.
22. (a) Any funds appropriated in Schedule (24) are available for the following purposes:
 - (1) Scheduled maintenance and special repairs of facilities. The Chancellor of the California Community Colleges shall allocate funds to districts on the basis of actual reported FTES, and may establish a minimum allocation per district. As a condition for receiving and expending these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance spending from the 1995–96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs. A district’s compliance with its resolution shall be reviewed under the annual audit of that district.
 - (2) Hazardous substances abatement, cleanup, and repairs.
 - (3) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.) and seismic retrofit projects limited to \$656,000.
 - (4) Water conservation projects to reduce water consumption in cooperation with the Governor’s Executive Order B-37-16. Projects may include any of the following:
 - (A) Replacement of water intensive landscaping with drought tolerant landscaping, synthetic turf, provided that the turf is used only in nonathletic areas, and other nonplant materials.
 - (B) Drip or low-flow irrigation systems.
 - (C) Building improvements to reduce water usage.
 - (D) Installation of meters for wells to allow for monitoring of water usage.
- (b) Any funds appropriated in Schedule (24) are available for replacement of instructional equipment and library materials. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses. The chancellor shall allocate

funds to districts on the basis of actual reported FTES and may establish a minimum allocation per district. A district's compliance with its resolution shall be reviewed under the annual audit of that district.

- (c) Any funds appropriated in Schedule (24) shall be available for one-time use until June 30, 2019.

SEC. 5. This act is a Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution and shall take effect immediately.