

MURDOCH WALRATH & HOLMES

MEMORANDUM

Date: March 7, 2023

To: CABE Board Members
Jan Gustafson-Corea, CEO

From: Jennifer Baker, Legislative Advocate

Subject: Sacramento Update

The Legislature has begun policy hearings, which will continue until the April 28th deadline for fiscal bills to pass out of all policy committees. The Assembly Education Committee is having its first policy hearing on March 22nd, which could potentially include all CABE-sponsored bills. I am currently working with the author's offices and the Assembly Education Committee to try to get those hearings postponed until after the CABE conference.

Legislative Budget Committees and Budget Subcommittees are also holding hearings and are beginning to discuss a number of specific aspects of the Governor's education budget proposals. I have submitted the CABE budget letter to the Governor's office, Department of Finance, and both houses of the Legislature and have begun holding a series of meetings with key staff to share CABE's budget priorities, which have been well-received.

CABE 2023 Sponsored Legislation

All three of CABE's sponsored bills have been introduced and are being referred to policy committees for future hearings. AB 1127 (Reyes) would revise, bring back, and fund the Bilingual Teacher Professional Development Program, which will use a "grow your own" approach to address the bilingual teacher shortage.

AB 393 (L. Rivas) would expand asset-based dual language learner identification to general child care programs to help California achieve the goals of the Master Plan to support these students. This legislation will require the Department of Social Services (CDSS), in consultation with the Department of Education (CDE), to create a process with the necessary guidelines and requirements regarding information to coordinate data collection for these students. This bill will be heard by both the Assembly Health and Human Services and the Education Committees.

AB 370 (Addis) would update the criteria required to obtain the State Seal of Biliteracy in order to make it equitable for all students to obtain, and to create a better understanding for all participating local educational agencies as to its implementation.

LAO Projects Additional Shortfall

The Legislative Analyst's Office (LAO) has released a [multiyear assessment report](#) that indicates the likely shortfall in the 2023-24 budget may be \$7 billion larger than is predicted in the Governor's January budget proposal. A continued deteriorating revenue decline has increased the gap of funds needed to cover existing expenses for

the state. Operating deficits are also forecast to be \$9 billion in 2024-25, \$9 billion in 2025-26, and \$4 billion in 2026-27. The LAO does not recommend dipping into the Rainy Day Fund at this point but does recommend either suspending deposits to the Rainy Day Fund, reducing one-time and temporary spending, and increasing cost shifts or revenues.

Capitol insiders additionally predict the total shortfall will be even greater than this additional decline predicted by the LAO, meaning the May Revision of the Governor's budget may likely begin to include additional cuts. Making this situation more complex is the recent federal extension to file taxes to October 15th that has been provided to Californian's impacted by the recent severe storms. Since the final federal tax revenues will now not be known until mid-October, one-third of the way into the fiscal year, if the numbers fall short, it could leave the Legislature and Governor in a position to have to make mid-year cuts.

Legislature Introduces Thousands of Bills

The 2023 deadline to introduce bills has now passed, resulting in a significant amount of bills to review. Over 2,700 bills, resolutions and constitutional amendments were introduced. Out of these, over 1,000 were spot bills, meaning they are a placeholder and do not yet contain enough substance to move forward. It is likely that most of these spot bills may be two-year bills, giving legislators and sponsors additional time to plan and craft language to amend into these bills. CABE will be reviewing a number of bills that impact issues of interest and will be taking positions shortly.