

Sacramento Update: Key Components of the 2025-26 State Budget



Sacramento Update: Key Components of the 2025-26 State Budget

Presented By:

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Vice President
School Services of California Inc.

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Themes for the 2025-26 Governor's Budget



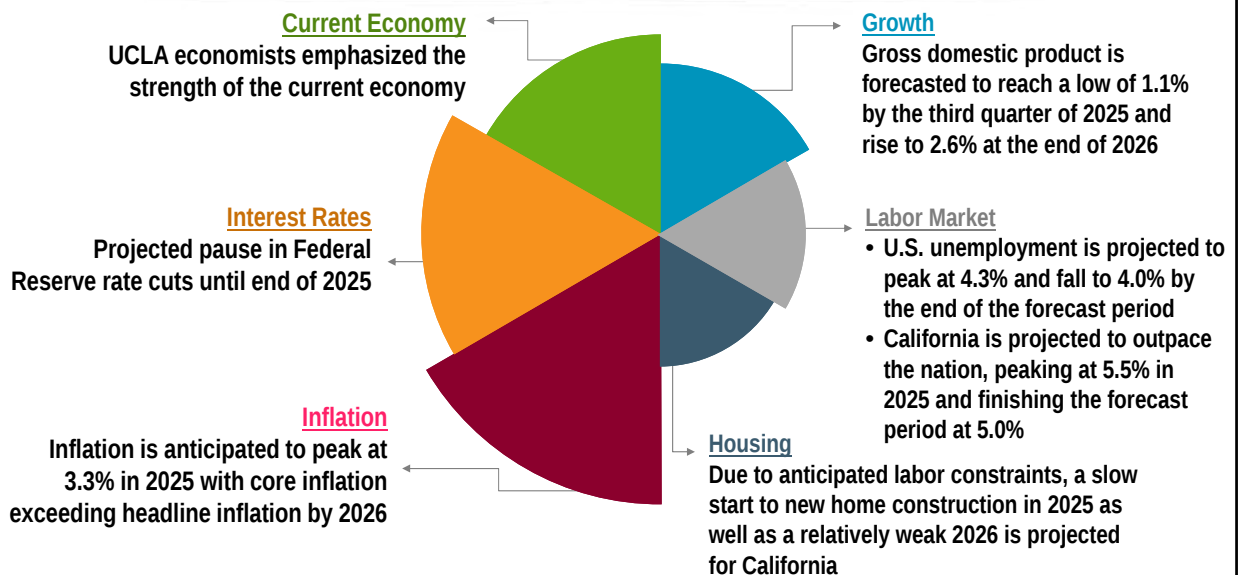
- Governor Gavin Newsom released his 2025-26 proposal amidst one of California's most devastating natural disasters
 - Employs the tenets of stability and resilience to protect California residents and the state's economy
 - Budget resilience is confronted by calls to expand essential services in an increasingly unaffordable state
- Following last year's proposed Proposition 98 "maneuver" to reduce education funding in the long term, his current proposal appears to under-appropriate the 2024-25 minimum guarantee by \$1.6 billion
- Amidst stable Proposition 98 funding, the Governor proposes an education budget that invests in core instruction and learning
- The protection of every Proposition 98 dollar is critical to ensure local leaders can provide high-quality education and services to their students

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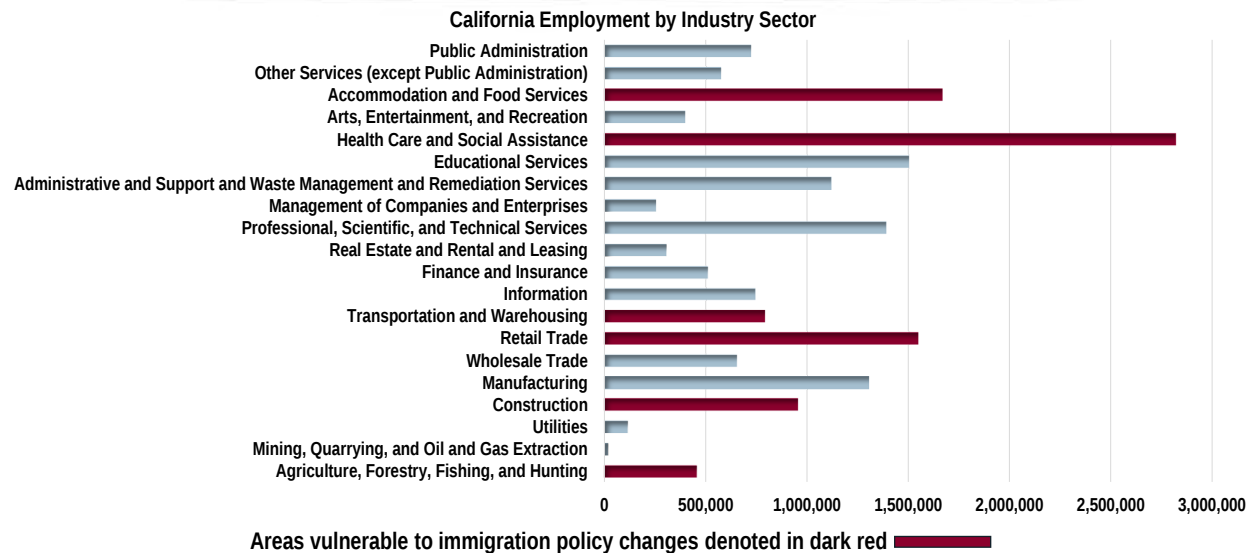
Overview of the State Budget and the Economy

UCLA Economic Forecast



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California Job Market

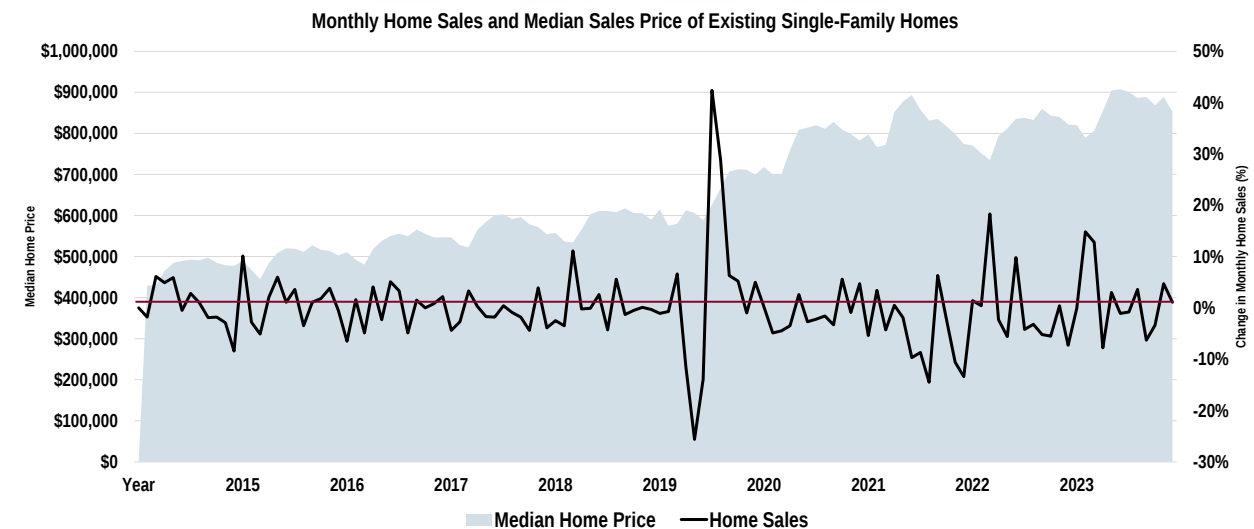


Source: Employment Development Division

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California Economy—Housing Market



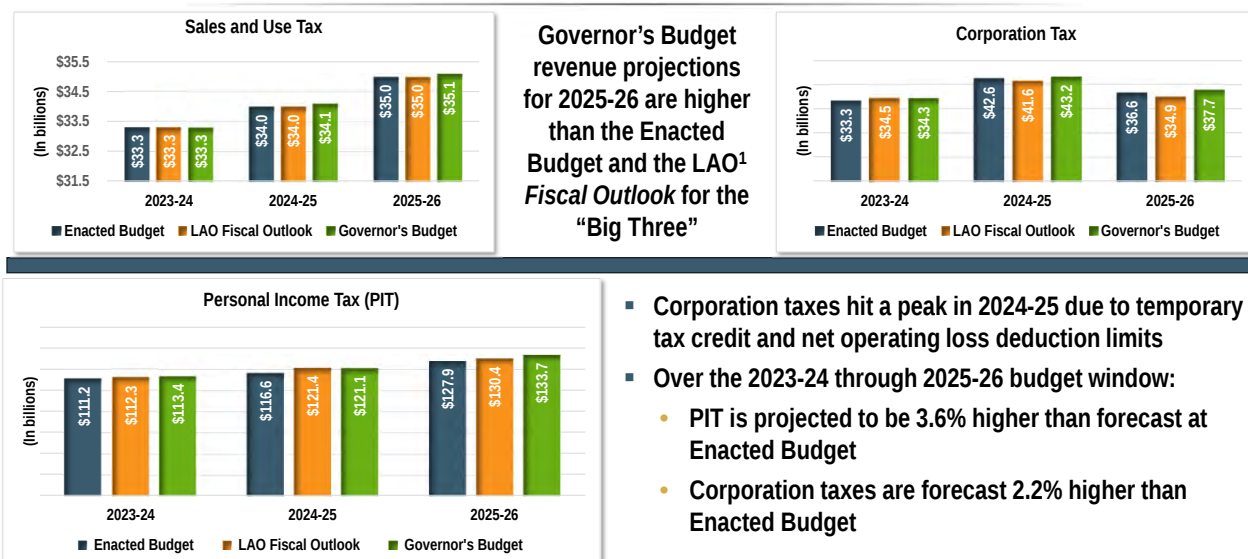
Source: California Association of Realtors

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Big Three Taxes—Governor's Budget vs. LAO Fiscal Outlook



Source: 2024-25 Enacted Budget, 2025-26 Governor's Budget Summary, and LAO Fiscal Outlook

¹Legislative Analyst's Office (LAO)

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Risks to the State Budget

- Stock market volatility
- Extreme weather events
- Delayed tax deadlines due to natural disasters
- Federal policy uncertainty
 - Tariffs
 - Immigration
- Elevated interest rates



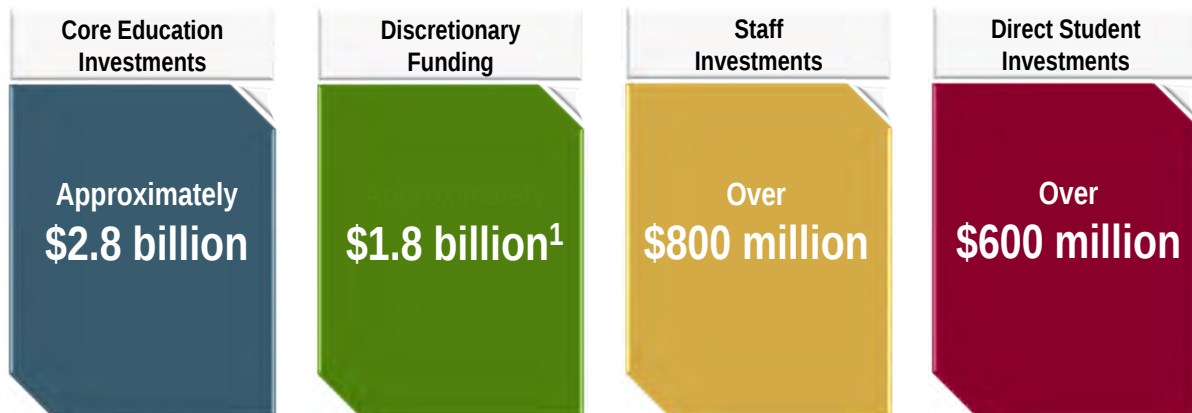
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Proposition 98 and the Education Budget

Proposition 98 and the Education Budget

- The proposed 2025-26 education budget strengthens investments in key programs across the TK-12 and community college system through a combination of one-time and ongoing funding



¹The 2025-26 Governor's Budget identifies state priorities for the use of discretionary funds for staff development and student supports

Proposition 98 and the Education Budget

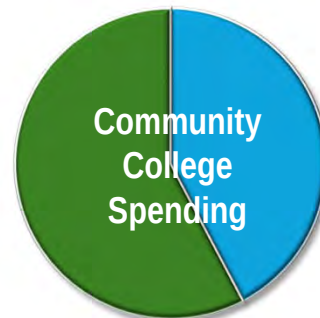
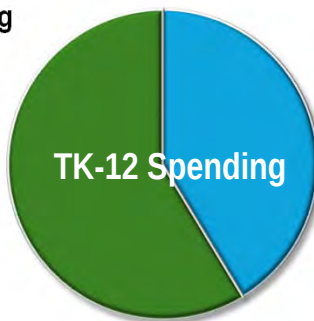
- The Governor's Budget invests a sizeable share of available Proposition 98 revenues in one-time programs in the TK-12 and community college system

- Ongoing funding is dedicated to funding basic apportionments and ancillary education programs

Almost 60%

- One-time funding is used to support infrastructure needs and professional development

Over 40%



■ Ongoing ■ One-Time

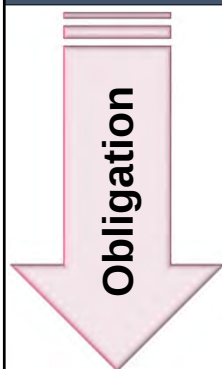
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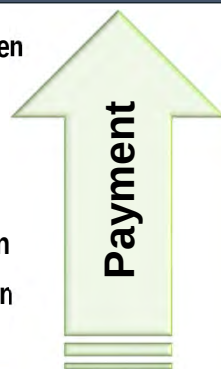
2023-24 Proposition 98 Minimum Guarantee and the Maintenance Factor

- As a result of the Legislature's action and the Governor's approval to suspend Proposition 98 in 2023-24, there is no adjustment to the prior-year minimum guarantee
- However, when the state suspends Proposition 98, it is obligated to restore education funding equal to the difference between Test 2 and the suspension level

Proposition 98 Suspension and Maintenance Factor



- In 2023-24, the difference between Test 2 funding and the suspension level modestly narrowed at Governor's Budget
 - Reduces the estimated Maintenance Factor obligation
 - From \$8.3 billion to \$8.0 billion



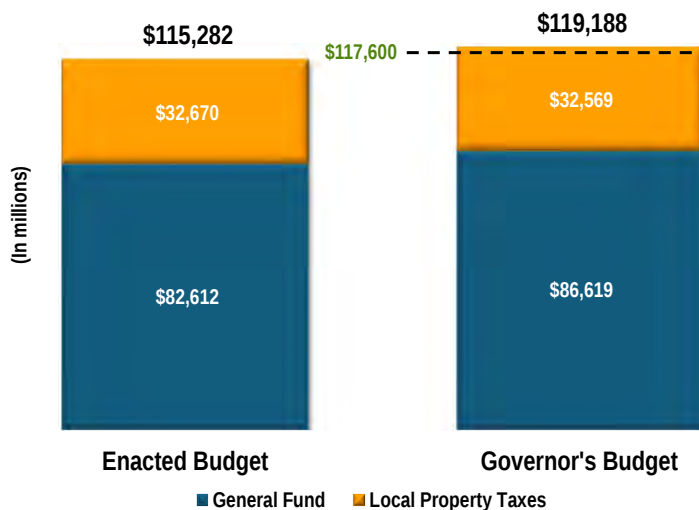
- Due to unanticipated growth in General Fund revenues, the state's Maintenance Factor payment increased in 2024-25
 - From \$4.1 billion at the 2024-25 Enacted Budget to \$5.6 billion at Governor's Budget

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2024-25 Proposition 98 Minimum Guarantee



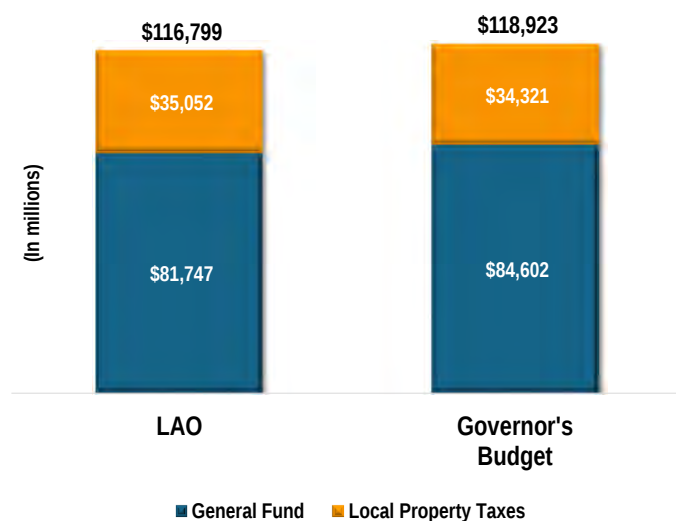
Due to unanticipated General Fund revenues, the 2024-25 minimum guarantee is revised upward by \$3.9 billion

“[T]he Budget proposes to appropriate the Guarantee at \$117.6 billion, instead of at the currently calculated level of \$119.2 billion...”

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2025-26 Proposition 98 Minimum Guarantee



- Compared to the LAO *Fiscal Outlook*, the Governor's estimates for the 2025-26 minimum guarantee are only modestly higher
 - General Fund revenues are \$2.9 billion higher while local property tax revenue is \$731 million lower
- Both estimate the budget year level to be lower than 2024-25

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Risks to Proposition 98 and the Education Budget

Certifying the Proposition 98 Minimum Guarantee

- The 2024-25 Enacted Budget included a negotiated agreement impacting the final certification of the Proposition 98 minimum guarantee

IRS¹ and California extend 2024 tax filing deadline for Los Angeles County

Final certification of the minimum guarantee is deferred when the personal income and corporation tax filing deadline is extended by the IRS in counties that collectively contributed more than 50% of those revenues in the prior year

POPULATION

The population of Los Angeles County makes up 25% of total state population and exceeds the nation's most populous city—New York City—at 9.8 million residents

FORTUNE 500 COMPANIES

Los Angeles County is home to 14 Fortune 500 companies, including the Walt Disney Company, Dole Food Company, and AECOM Technologies

¹Internal Revenue Service

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Risks to Proposition 98 and Local Budgets

- The education community can breathe a collective sigh of relief as the Governor's Budget contains fewer risks to Proposition 98 and local budgets than recent past

Eliminates reliance on one-time funding to support the Local Control Funding Formula (LCFF) and other ongoing costs

Slowly replenishing the Proposition 98 reserve for times of uncertainty and fiscal turmoil

Fully funding cost-of-living adjustment (COLA)

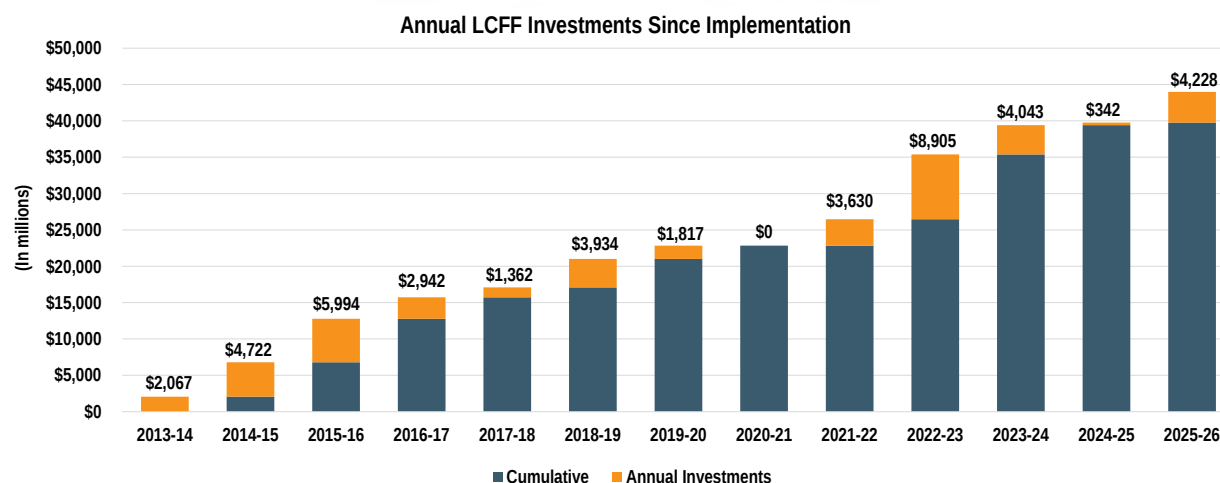
- The greatest risk to local budgets are local—accounting and budgeting for enrollment changes and rising costs continue to be critical for fiscal health management

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Annual LCFF Investments—2013 to Present



Source: Department of Finance, Facts and Figures—2015-16 through 2025-26
 Note: Amounts reflect growth based on COLA and changes in average daily attendance (ADA)

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2025-26 LCFF Funding Factors

Grade Span	TK-3	4-6	7-8	9-12
2024-25 Base Grant per ADA	\$10,025	\$10,177	\$10,478	\$12,144
2.43% COLA	\$244	\$247	\$255	\$295
2025-26 Base Grant per ADA	\$10,269	\$10,424	\$10,733	\$12,439
Grade Span Adjustment	\$1,068	–	–	\$323
2025-26 Adjusted Base Grant per ADA	\$11,337	\$10,424	\$10,733	\$12,762
20% Supplemental Grant per ADA ¹	\$2,267	\$2,085	\$2,147	\$2,552
65% Concentration Grant per ADA ²	\$3,316	\$3,049	\$3,139	\$3,733
TK ⁴ Add-On per ADA (inclusive of COLA)	\$6,404 ³	–	–	–

¹Maximum amount per ADA—to arrive at local educational agency's (LEA's) grant amount, multiply adjusted base grant per ADA by 20% and unduplicated pupil percentage (UPP)

²Maximum amount per ADA—to arrive at LEA's grant amount, multiply adjusted base grant per ADA by 65% and UPP above 55%

³Inclusive of an additional \$3,252 for the student-to-adult ratio reduction from 12:1 to 10:1

⁴Transitional Kindergarten

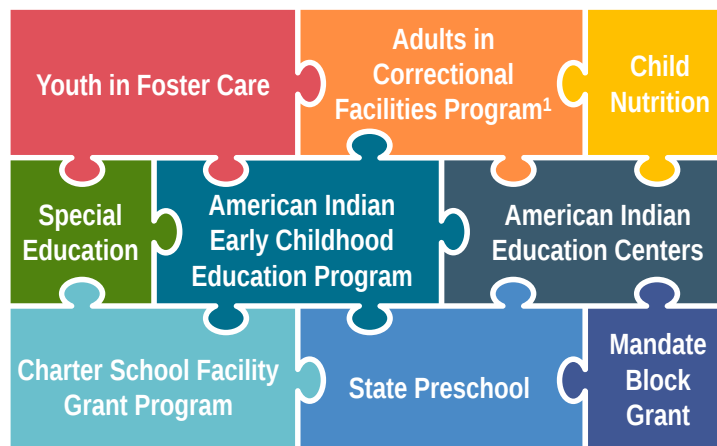
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Categorical Programs Receiving COLA

The Governor's Budget includes \$204 million to fund the 2.43% estimated statutory COLA for the Equity Multiplier and the following categorical programs:



¹Receives the 2024-25 statutory COLA of 1.07%

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LCFF Equity Multiplier

Eligibility

Schools with prior-year nonstability rates greater than 25% and prior-year socioeconomically disadvantaged pupil rates greater than 70%

- In 2023-24, there were 968 eligible schools
- In 2024-25, School Services of California Inc. (SSC) projects there will be 1,012 eligible schools¹
 - 246 newly eligible schools
 - 195 schools from 2023-24 are no longer eligible

The Governor's Budget applies the estimated statutory COLA to Equity Multiplier funds, bringing the total state investment to \$311 million in 2025-26

Allocation

Funding allocated per student, using school's total prior-year adjusted cumulative enrollment

- In 2023-24, the per-pupil rate was \$1,052.61
- In 2024-25, SSC projects the per-pupil rate will be \$933.73¹
- The 2025-26 per-pupil rate will be available in February 2026

Minimum of \$50,535 per eligible school in 2024-25 and \$51,763² in 2025-26

Equity Multiplier funds must be used for evidence-based services and supports for students at Equity Multiplier schools and the funds must be included in the Local Control and Accountability Plan (LCAP)

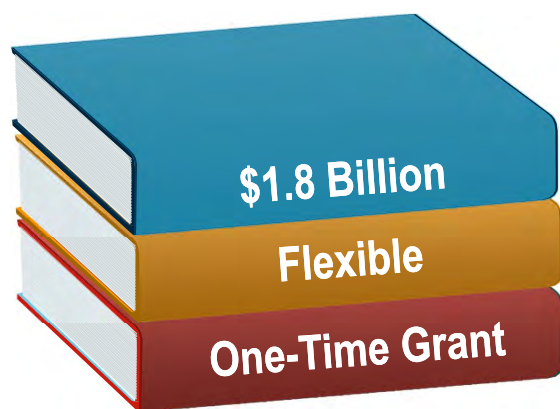
¹California Department of Education (CDE) is expected to publish the list of Equity Multiplier schools and the per-pupil rate in February;

²Adjusted for COLA beginning in 2024-25

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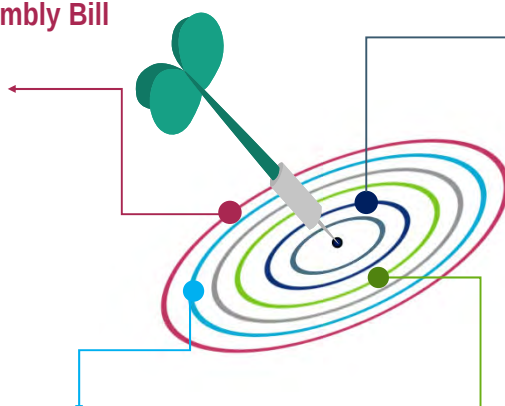
Student Support and Professional Development Discretionary Block Grant



- LEAs may use to address rising costs, although state priorities are highlighted
 - Professional Development for teachers on the English Language Arts and English Language Development Framework, Literacy Roadmap, and Mathematics Framework
 - Teacher recruitment and retention efforts
 - Career pathways and dual enrollment
- The allocation methodology is not yet specified

Multiyear Projections

Multiyear projections are required by Assembly Bill (AB) 1200 and AB 2756

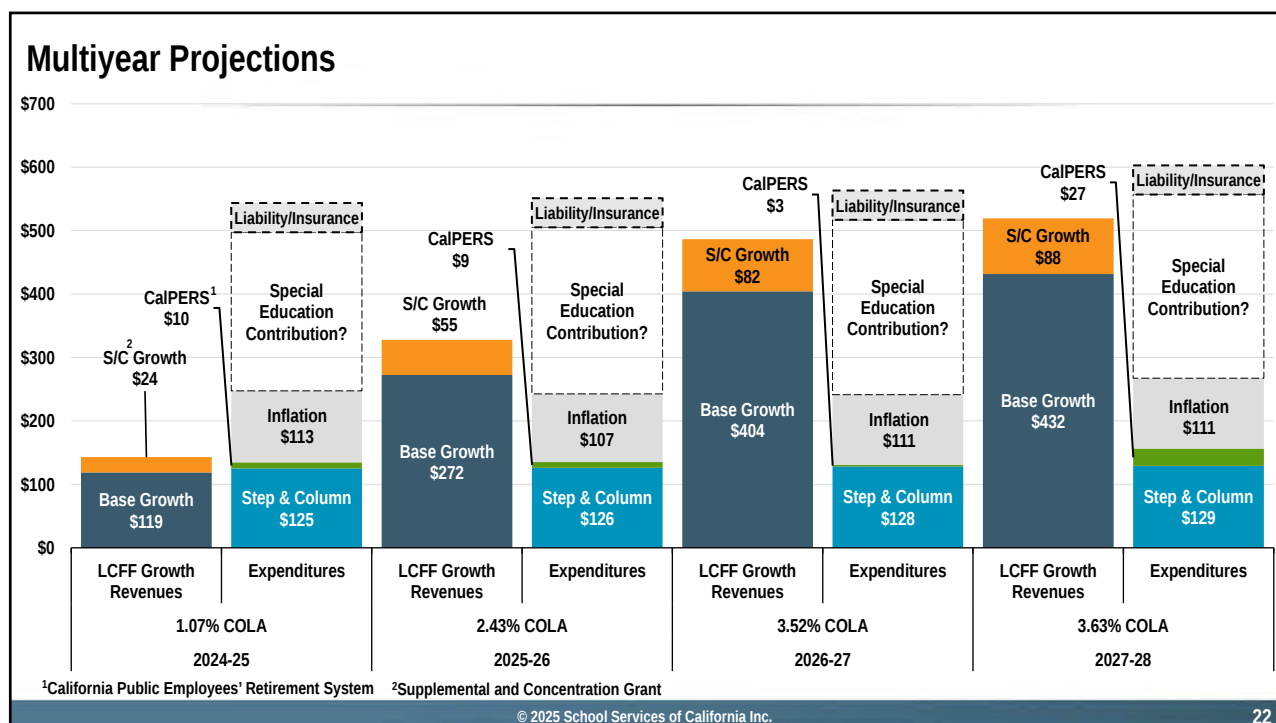


Projections are anchored in reliable information as of the date of the projection

Projections will change any time the underlying factors change

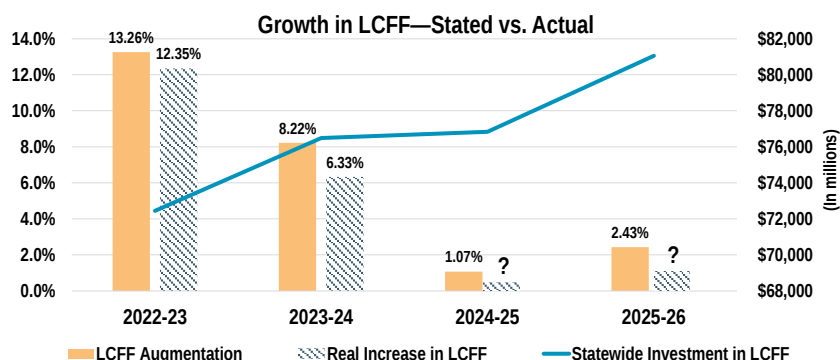
Projections must be documented because they will change

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LCFF—The Real Change

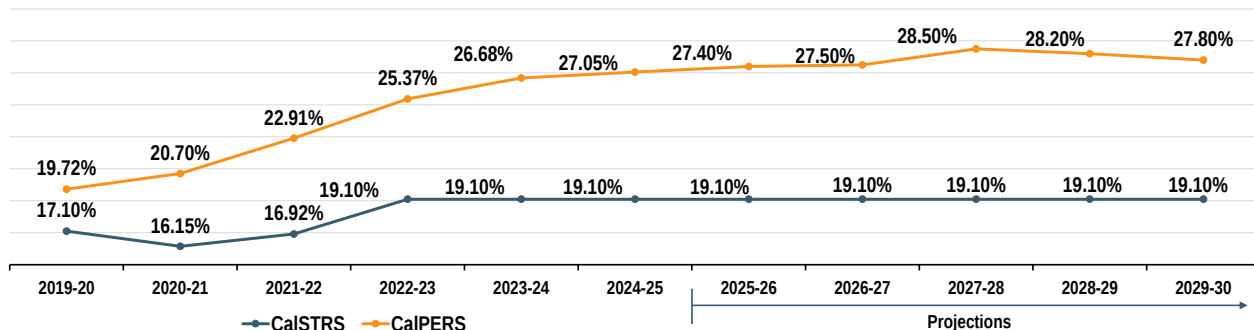
- 2022-23 and 2023-24 represented significant financial investments in the LCFF, per ADA
 - Growth in 2025-26 is largely due to the full implementation and lowered staffing ratios for TK
 - However, on a statewide basis, statutory COLA and augmentations do not translate into dollar-for-dollar increases due to declining enrollment and expiration of COVID-19 ADA policies



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CalPERS and CalSTRS Employer Contribution Rates

- The California State Teachers' Retirement System (CalSTRS) employer contribution rate has leveled off
 - According to CalSTRS, an annual employer contribution rate of 19.1% would eliminate the employer's unfunded liability three years ahead of schedule based on the CalSTRS full funding plan
- On the other hand, CalPERS rates are projected to continue their upward climb before falling in 2028-29 and 2029-30, according to revised projections released in fall 2024



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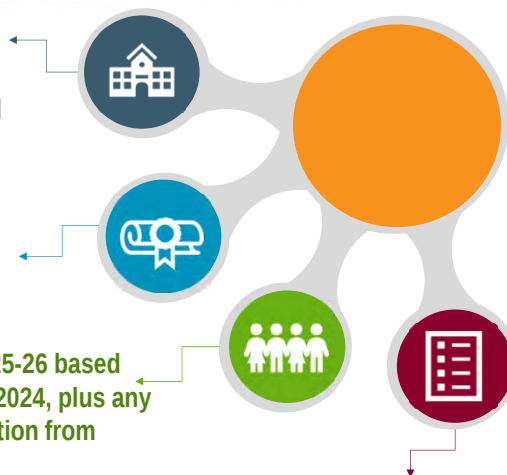
Local Budgeting Considerations Heading Into May

LEAs should begin site and department budget meetings to develop allocation and spending plans for the 2025-26 fiscal year with the expectation that state categorical programs will not see any significant increases

LEAs should review staffing levels, especially services that are funded with one-time or temporary funding sources, as those positions should be assessed prior to the March cutoff for layoffs

LEAs should refine enrollment projections for 2025-26 based on certified Census Day counts taken in October 2024, plus any growth or decline based on demographic information from internal analysis

LEAs should adjust COLA estimates downward for 2025-26 based on the Governor's January projection to 2.43%



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Executive Order N-6-25

- In response to the January wildfires, Executive Order N-6-25 was issued which provides sweeping relief for LEAs that closed, or are receiving students, as a result of the wildfires
 - The following apply to LEAs in Los Angeles County

School Closures

In lieu of a complete J-13A, the superintendent of the affected LEA will need to certify in writing to the State Superintendent of Public Instruction which schools were closed as a result of the wildfire

LEAs will also need to certify in writing that the LEA has a compliant Independent Study Plan

Instructional Time

Eligible LEAs that closed schools will not be required to make up lost instructional days and time so long as the closure is necessary to address the direct impact of the emergency

Class Size/Residency

Class size and ratio requirements in grades TK-8, including grade span averages, are suspended for classes that are impacted by the emergency

Residency requirements for students attending schools impacted are suspended for the remainder of the fiscal year

Additional guidance related to emergency waivers can be found on the CDE website at <https://www.cde.ca.gov/fq/aa/pa/j13a.asp>

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Universal Transitional Kindergarten—Full Implementation

TK Requirements for 2025-26 and beyond



Offer TK to four-year-olds whose fourth birthday occurs by September 1; inclusive

Certification Requirements

Credentialed teachers who are first assigned to a TK classroom after July 1, 2015, must have one of the following by August 1, 2025:

- At least 24 units in early childhood education (ECE), child development, or both
- A child development teacher permit or an ECE specialist credential
- Met specified criteria of professional experience with preschool children set by LEA governing board

Class Size and Classroom Ratios

- Average class size per school site: 24 students
- Class size ratio per TK classroom: 10:1
- In 2024-25, the average class size ratio per school site is 12:1, not including early enrollment TK

Failure to comply with requirements carry fiscal penalties

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Universal Transitional Kindergarten—Proposals

Current Law		Governor's Budget Proposal
In 2025-26, TK will be available to four-year-olds whose fourth birthday occurs by September 1 of the school year		Includes a total of \$2.4 billion ongoing (inclusive of prior years' investments) for full implementation of universal TK in 2025-26, including funds for the final eligibility expansion of the birthdate to September 1
Includes an intent to fund the 10:1 student-to-adult ratio that is required starting in 2025-26		Provides a total of \$1.5 billion ongoing for the ratio requirement
TK students are exempt from taking the English Language Proficiency Assessments for California		Invests \$10 million one-time Proposition 98 funding for the state to provide a new English language screener for TK students

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Expanded Learning Opportunities Program

	2021-22	Current Law	Governor's Budget Proposal
Total Funding	\$1.0 billion ongoing plus \$754 million one-time	\$4.0 billion ongoing	\$4.4 billion ongoing
Requirement to offer the program and provide access for grades TK-6	Must offer the program to all unduplicated students and provide access to at least 50% of unduplicated students	• UPP ≥ 75% must offer and provide access to <u>all</u> students • UPP < 75% must offer and provide access to all <u>unduplicated</u> students	• UPP ≥ 55% must offer and provide access to <u>all</u> students • UPP < 55% must offer and provide access to all <u>unduplicated</u> students
Per-Pupil Amount	UPP ≥ 80%: \$1,170.00 UPP < 80%: \$672.19	UPP ≥ 75%: \$2,750.00 in 2024-25 UPP < 75%: \$1,579.55 ¹ in 2024-25	UPP ≥ 55%: \$2,750.00 in 2025-26 UPP < 55%: TBD in 2025-26

¹Subject to change at the First Principal and Second Principal Apportionments (P-1 and P-2)

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Learning Recovery Emergency Block Grant

The Governor's Budget restores \$378.6 million to the LREBG, which supports learning recovery initiatives through the 2027-28 school year

- The Learning Recovery Emergency Block Grant (LREBG), initially funded at \$7.9 billion, was cut by in the 2023 Budget Act leaving \$6.8 billion
- Recall, the LREBG requirements were changed in the 2024 Budget Act—beginning in the 2025-26 school year, to utilize these funds, LEAs must conduct a new student needs assessment and include expenditures and actions in the LCAP



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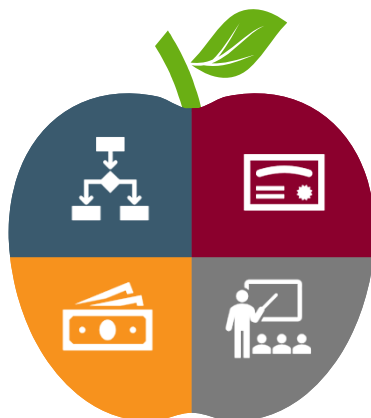
Educator Investments

- In recognition of the pervasive staffing shortages, the Governor's Budget emphasizes removing barriers to the teaching profession and supporting current educators through professional training with one-time Proposition 98 investments:

Teacher Recruitment Incentive Grant Program

\$150 million:

- Creates a new Teacher Recruitment Incentive Grant Program which provides financial assistance for teacher candidates



Board Certification

\$100 million:

- Extends the timeline for the National Board Certification Incentive Program for teachers that support and mentor other instructional staff in high poverty schools

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Literacy Investments—Proposition 98 One-Time Funding

Literacy Screening

- \$40 million one-time
- Supports purchase of screening materials and training for educators who administer screenings



TK-12 Literacy and Mathematics Coaches

- \$500 million one-time
- Expands Literacy Coaches Program and include mathematics coaches
- Prioritizes high-poverty schools

Literacy Network

- \$5 million annually through 2029-30
- Create a statewide network to provide resources to LEAs, highlight high-performing districts and best practices and provide support

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Universal School Meals Program

- In addition to applying the estimated statutory COLA for child nutrition programs, the Governor also proposes an increase of \$106.3 million ongoing to fully fund the universal school meals program for 2025-26
 - The state projects that nearly one billion meals will be served through the universal meals program in the 2025-26 school year
- The Governor also proposes \$150 million in one-time funding for specialized kitchen equipment, infrastructure, and training to support schools in providing more freshly prepared meals made with locally grown ingredients



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Career Technical Education—Master Plan Investments

- To support the goals of the Career Education Master Plan, Governor Newsom is proposing:

Allows dual enrollment and pathways programs as allowable expenditures for the Student Support and Discretionary Block Grant	Ongoing funding to support the California College Guidance Initiative and the Cradle-to-Career Data System	One-time funding for the California Community Colleges to expand Credit for Prior Learning and begin building the infrastructure for the state's first Career Passport System	Ongoing non-Proposition 98 funding to establish a state planning and coordinating body for TK-12 education, higher education, and state economic and labor agencies	One-time non-Proposition 98 funding for the Labor and Workforce Development Agency to evaluate how regional coordination models can be expanded
Block Grant Flexibility	\$3 million	\$100 million	\$5 million	\$4 million

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Next Steps for 2025-26 Budget Development—SSC Advice

- We do not yet have allocation or program details for many proposals in the Governor's Budget
 - Until more detail becomes available, do not include in 2025-26 budget development

Program	Include in 2025-26 Budget Development	Develop Tentative Internal Plan for Funding/Program Requirements
2.43% COLA (all applicable programs)	✓	
LREBG Additional Funding		✓
TK LCFF Add-On For Ratios		✓
Discretionary Block Grant		✓
TK-12 Literacy and Mathematics Coaches/Literacy Screenings		✓
¹ ELO-P 55% Threshold		✓

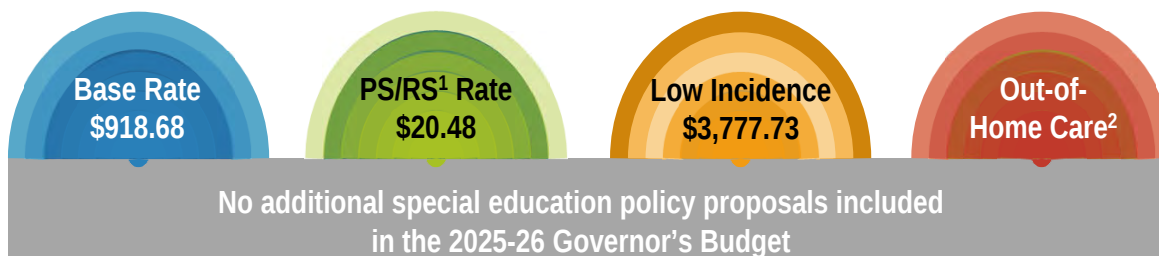
¹Extended Learning Opportunity Program

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State Special Education Funding Estimates

- Estimated COLA of 2.43% applied to special education funding
- Revenue generation continues to capture highest ADA for LEAs over three-year period



Special education adjacent non-restricted funding estimates:
Special Education Mental Health Services—\$82.05 per ADA

¹Program Specialist/Regionalized Services; ²rates vary

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Special Education Multiyear Program Analysis and Projection

- LEAs should engage in multiyear program analysis to identify trends and patterns that may influence their service delivery, professional development, or capacity needs
- Multiyear program analysis encourages alignment of LEA plans and initiatives, incorporates compliance and improvement monitoring for students with disabilities (SWD), and ensures a continuum of support for all learners
 - The degree to which an LEA implements a Multi-Tiered System of Support with quality early intervention and prevention strategies plays a key role in the cost of serving students



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Special Education Multiyear Program Analysis and Projection

- Enrollment and demographics trends, data from the California School Dashboard, and performance indicator data sets can inform local planning and budgets
 - Special Education Local Plan Areas have access to local and regional data specific to SWD, incidence of disabilities, service delivery trends, and more
 - The Special Education Fiscal Collaborative provides support and resources to complete regional and statewide data comparisons

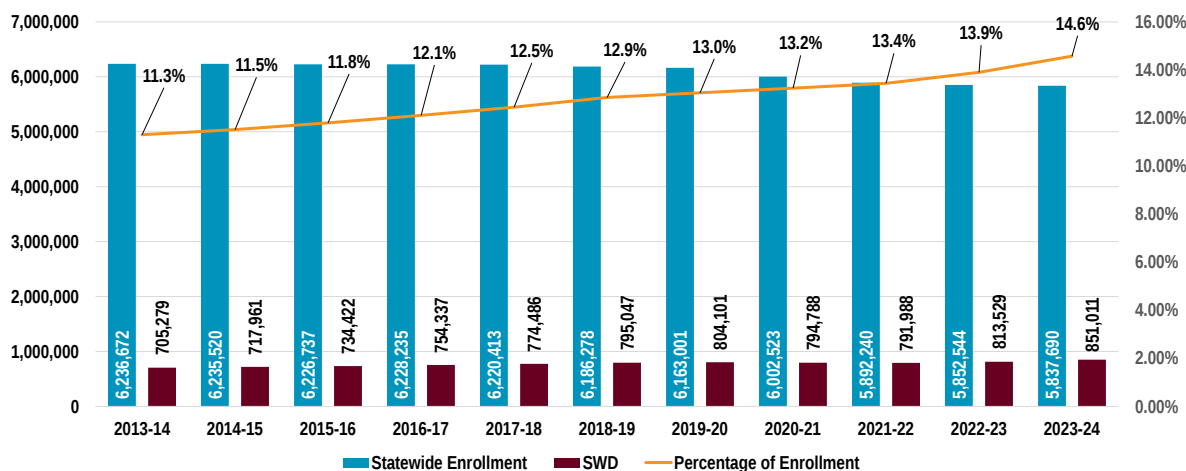


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Statewide Enrollment and Incidence of Students with Disabilities

- Consideration of statewide and local trends for enrollment can support projections for necessary revenues and program adjustments to meet the needs of students served by special education

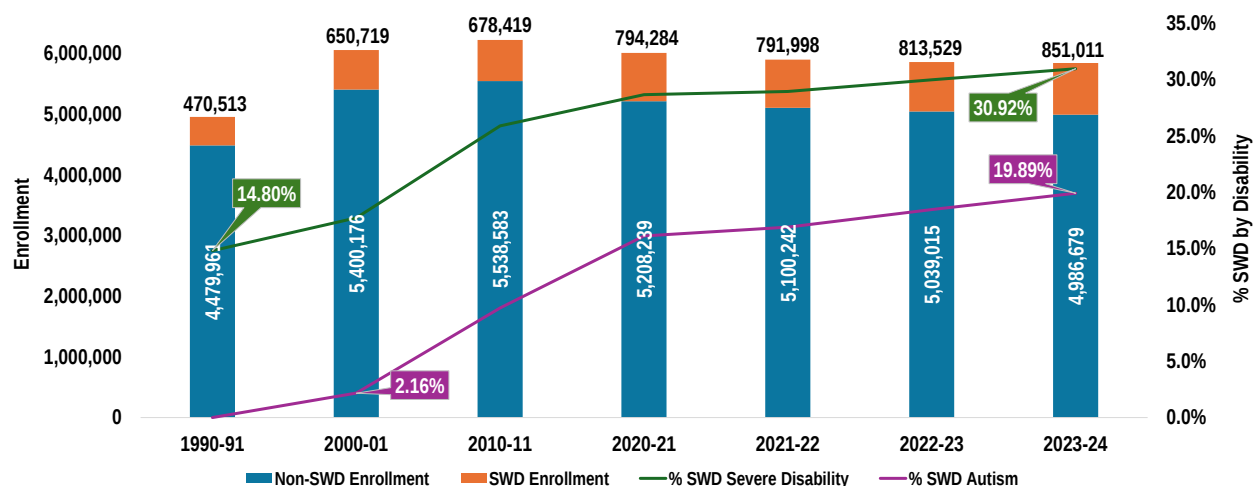


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Statewide Enrollment and Eligibility Trends



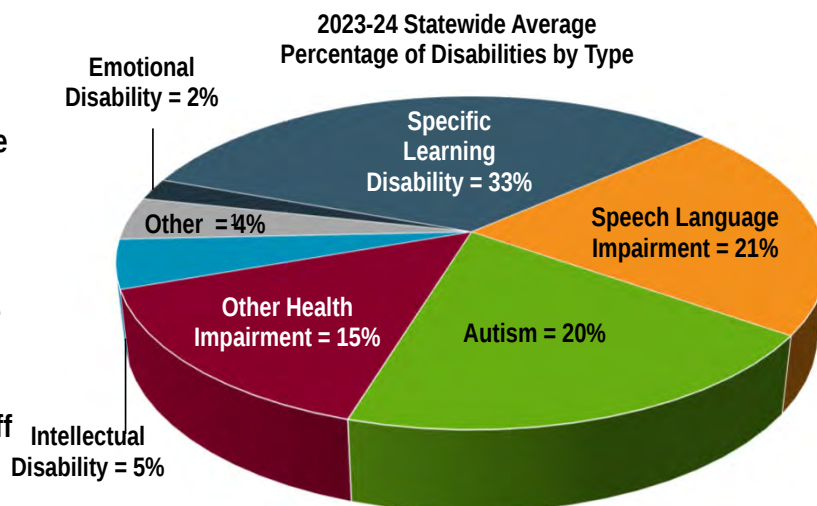
Enrollment and counts reported in California Longitudinal Pupil Achievement Data System

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Special Education Demographic Considerations

- Special education data related to incidence of disability and student eligibility trends should be reviewed annually
- Local referral data and information related to assessment rates, service delivery and minutes, and exit data can highlight needed monitoring by staff
 - Data reflects SWD ages 0-22



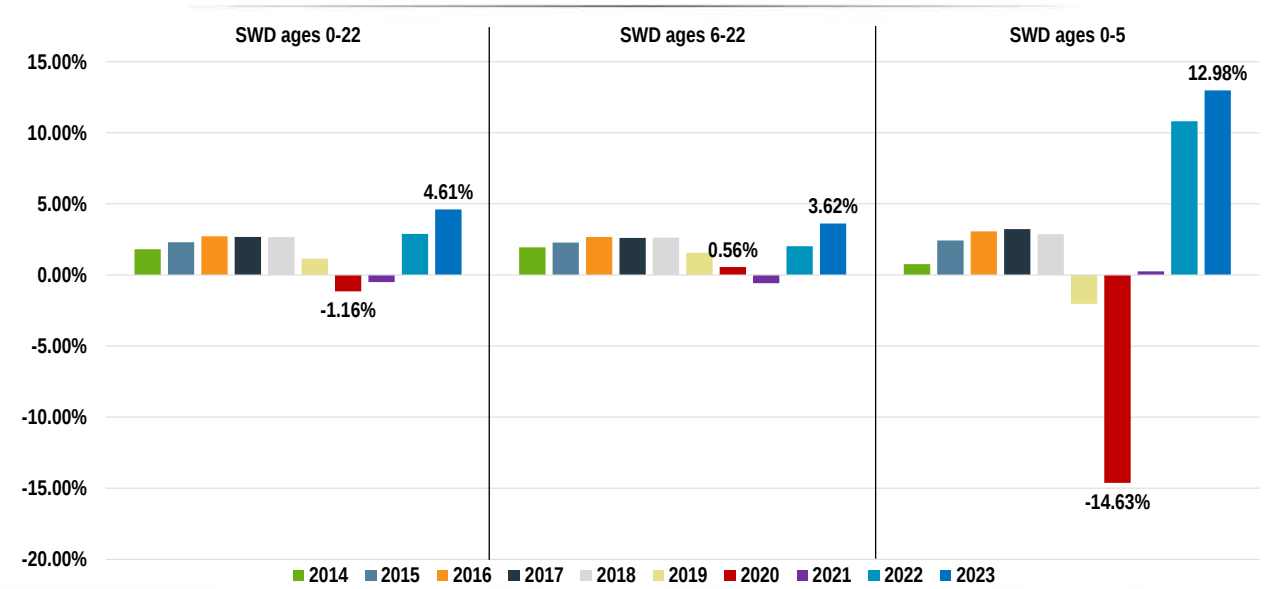
¹Other includes visual impairment, deaf, hard of hearing, blind, orthopedic impairment, traumatic brain injury, and multiple disabilities

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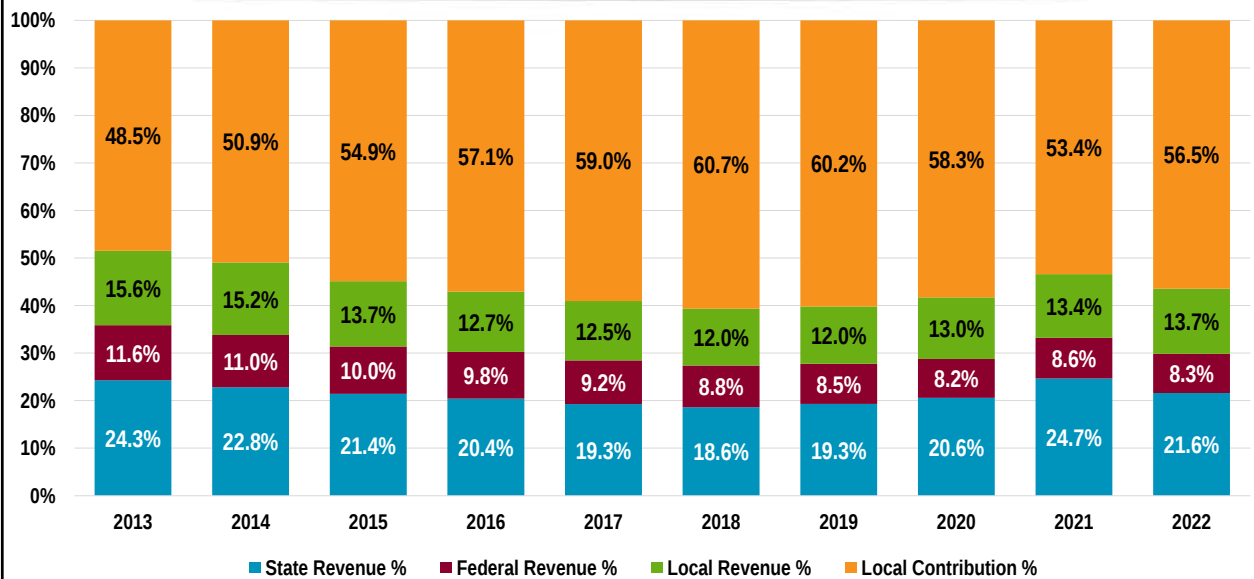
Trending Growth of SWD by Year and by Age Group



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Distribution of Special Education Costs by Funding Source



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Federal Education Budget and Process

Stopgap Agreement

- Continuing Resolution (CR) maintains fiscal year (FY) 2024 federal funding levels through March 14, 2025

Congressional Action

- Congress has until mid-March to approve the FY 2025 federal budget, or they will need to approve another CR to avert a government shutdown

Debt Ceiling Limits

- Spending limits enacted in the Fiscal Responsibility Act cap FY 2025 spending
- Debt ceiling suspension ended January 1, 2025

President's FY 2026 Education Budget Proposal

- Due in February . . .

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Social Security Fairness Act

The Social Security Fairness Act of 2023, which was signed into law by President Joe Biden on January 5, 2025, eliminated two provisions that have disadvantaged CalSTRS members and some CalPERS members in their retirement:

- Windfall Elimination Provision reduced Social Security benefits if CalSTRS/CalPERS retiree worked in a job in which they did not pay into Social Security
- Government Pension Offset Provision modified Social Security benefit for spouse/widow(er) based on work where they did not pay Social Security tax

Human Resources Considerations

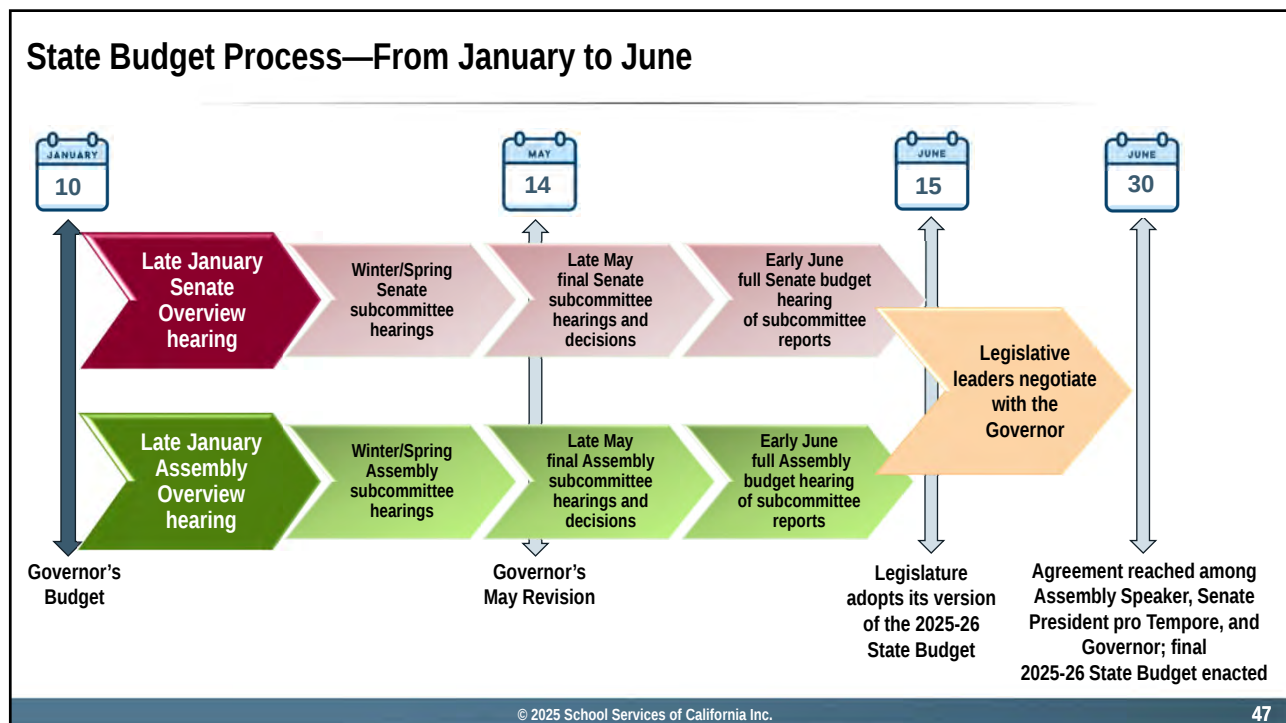


- The Social Security Protection Act (2004) requires government employers to disclose to employees if they are hired in a job not covered by Social Security (see Form SSA-1945)
- LEAs should monitor the Social Security Administration's website and prepare to update new hire materials, and communicate with current certificated and classified employees whose retirement may be impacted

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The Road Ahead



National Election Results—Republican Trifecta

- The 2024 General Election resulted in a Republican federal government trifecta, whereby the GOP controls both houses of Congress and the presidency
 - The Republicans will have the narrowest House majority in nearly 100 years
 - If two GOP members leave their House seats to join the Trump Administration as expected, there will be 217 Republicans, 215 Democrats, and 3 vacant seats in the House
 - The GOP has a more comfortable margin in the Senate with 52 GOP seats to the Democrats' 47 seats (there is one vacancy due to Vice President J.D. Vance vacating his Ohio Senate seat)
 - Republican control of the Senate will allow President Donald Trump to install his Cabinet members and other positions requiring Senate confirmation more seamlessly than if Democrats retained control of the chamber



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National Election Results—Education Platform

- Trump intends to nominate Linda McMahon for U.S. Secretary of Education, who will be tasked with implementing Trump's education platform,¹ including the following:
 - Ending teacher tenure and adopting merit pay
 - Offering school choice in every state
 - Emphasizing education to prepare students for jobs and careers
 - Overhauling standards on school discipline
 - Enforcing civil rights laws to stop schools from discriminating on the basis of race
 - Defunding schools that engage in inappropriate political indoctrination of children
 - Support schools that teach America's founding principles and western civilization
 - Championing the first amendment right to pray and read the Bible in school
 - Closing the Department of Education
- Closing the U.S. Department of Education would require an act of Congress, as would changing any specific funding streams through the budget process

¹<https://rncplatform.donaldtrump.com/>

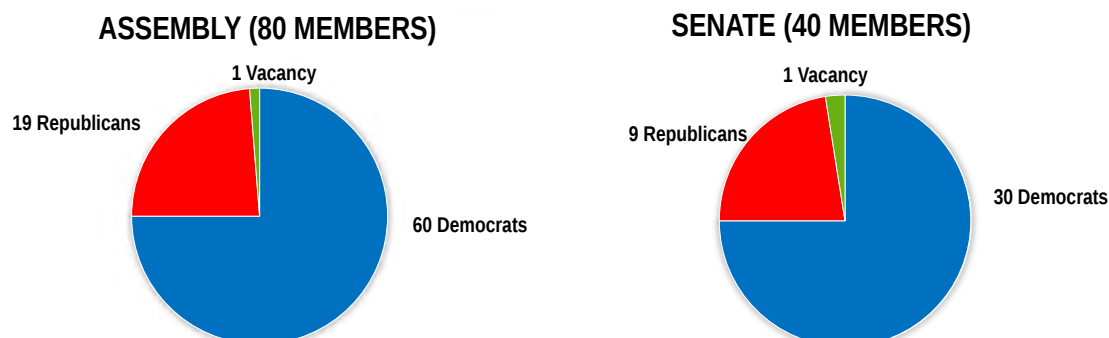


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Sacramento Update: Key Components of the 2025-26 State Budget

California Election Results—Makeup of the 2025-26 State Legislature



- Democrats retain their supermajority status, which allows them to approve legislation requiring a higher vote threshold without Republican support
- Due to the term limits, the Legislature sees significant turnover in membership every two years and the 2025 class is no different with 37 out of the 120 members newly elected

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2025-26 State Legislature—Education Committees

- With last year's Senate Education Committee Chair Josh Newman (D-Fullerton) losing his reelection bid, the big question was who Senate Leader McGuire would tap to fill the vacancy
 - The answer is freshman Senator Sasha Renée Pérez (D-Alhambra), who most recently served as mayor of Alhambra and focused on college access and affordability with the Campaign for College Opportunity
- Aside from the Senate Education Committee, all the remaining education policy committee and budget subcommittee chairs remain the same as in 2024



Senator Sasha Renée Pérez



Assemblymember Al Muratsuchi (D-Torrance),
Assembly Education Committee



Assemblymember David Alvarez (D-San Diego),
Assembly Budget Subcommittee No. 3



Senator John Laird (D-Santa Cruz),
Senate Budget Subcommittee No. 1

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Emerging Legislative Priorities for Education

- With the bill introduction deadline a month away—and also perhaps due to the bill limitation on legislators—relatively few education bills have been introduced thus far
 - Regardless, some political hot topics have been introduced for the 2025-26 legislative session:

AB 49 (Muratsuchi) and Senate Bill 48 (Gonzalez, D-Long Beach)

Would further restrict the ability for Immigration and Customs Enforcement officers to enter a school campus and/or be provided information by an LEA

AB 68 (Essayli, R-Corona)

Would require an armed school resource officer at each school campus

AB 89 (Sanchez, R-Rancho Santa Margarita)

Would prohibit a transgender girl student from participating on a girls' interscholastic sports team

ABX1 1 (Gabriel, D-Encino)

Would appropriate up to \$25 million “for the purpose of defending the state against enforcement and legal actions taken by the federal government”

2025 Proposed Legislation—Paid Pregnancy Leave



Paid Pregnancy Leave AB 65 (Aguiar-Curry)

- Would provide up to 14 weeks of full pay to certificated and classified employees due to pregnancy, miscarriage, childbirth, termination of pregnancy, or recovery from those conditions
 - Would apply to public school employers
- Employee maintains group health coverage if applicable

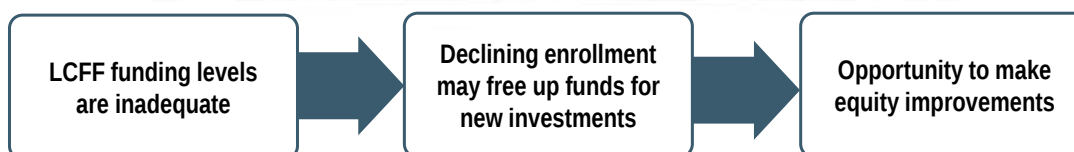


Operational Considerations

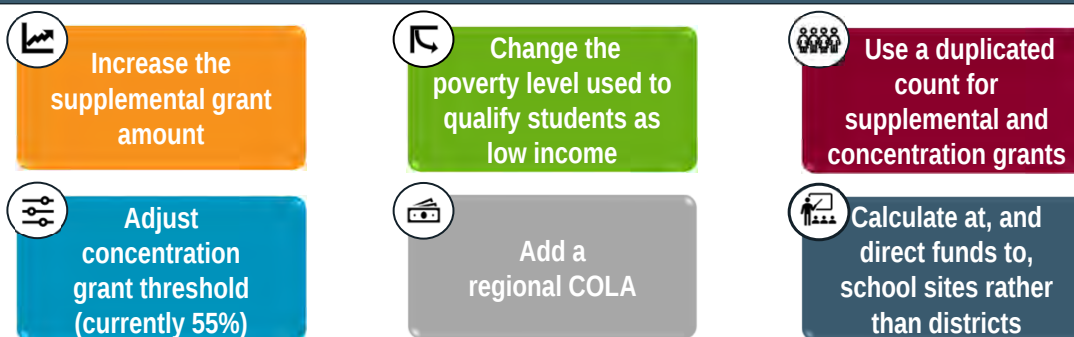
- Paid leave may be taken before and would continue after childbirth if employee is disabled by pregnancy, childbirth, or related medical conditions
- Leave entitlement is not deducted from accrued statutory illness leave and would run consecutively with extended/differential leave
- No minimum service requirements to access this leave entitlement

Sacramento Update: Key Components of the 2025-26 State Budget

Assembly Considers Changes to the LCFF



Various Proposed Recommendations

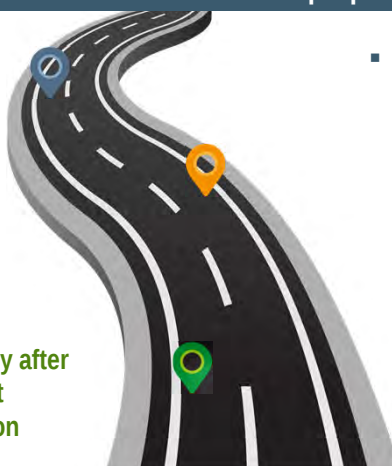


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The Road Ahead

The next steps in the State Budget process are controlled by the Legislature, which has the responsibility to examine the Governor's proposals during budget hearings

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- Furthering this discussion are the details on the Governor's Budget proposals, included in trailer bill language, released at the beginning of February
 - This initial vetting prepares legislators to respond quickly after the next official State Budget checkpoint—the May Revision
 - We can expect a thorough debate regarding the Governor's approach to the current-year and budget-year proposals:
 - Guarding against under appropriating the Proposition 98 minimum guarantee and proposals for funds not accounted for in the Governor's Budget
 - Flexibility/inflexibility of one-time resources
 - Priorities for ongoing resources

We hope you join us at the May Revision Workshop Live Webinar!

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Sacramento Update: Key Components of the 2025-26 State Budget



Thank you!

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