



**LAUSD**  
**UNIFIED**

**Overview of 2024–25 Governor’s Proposed State Budget  
Committee of the Whole**

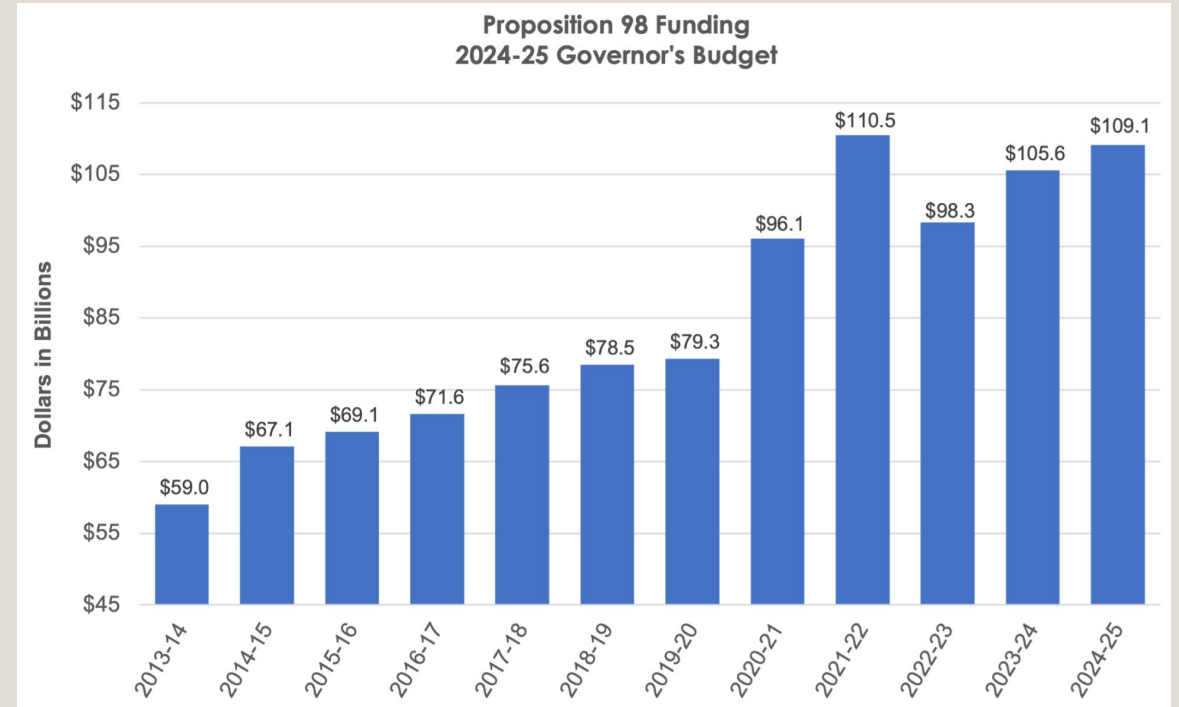
January 30, 2024

# Overview of Governor's 2024-25 State Budget

Projected state General Fund budget of \$208.7 billion, with a \$37.9 billion budget shortfall

Prop. 98 guarantee of \$109.1 billion, representing a decrease of \$11.3 billion over the three-year period relative to the 2023-24 Budget Act

0.76% COLA for LCFF and Categorical programs



Source: California Department of Finance

# Overview of Governor's 2024-25 State Budget

## Solving the Budget Problem

Governor proposes to make up projected deficit with the following actions:

- \$13.1 billion from reserves, including \$5.7 billion from the Public School System Stabilization Account
- \$8.5 billion in reductions, mostly in climate and housing initiatives
- \$5.7 billion in internal state borrowing
- \$5.1 billion in budget delays

The Legislative Analyst's Office projects a larger budget problem that may require additional cuts, withdrawals or delays.

# Overview of Governor's 2024-25 State Budget

## Public School System Savings Account (PSSSA): Prop. 98 Reserve

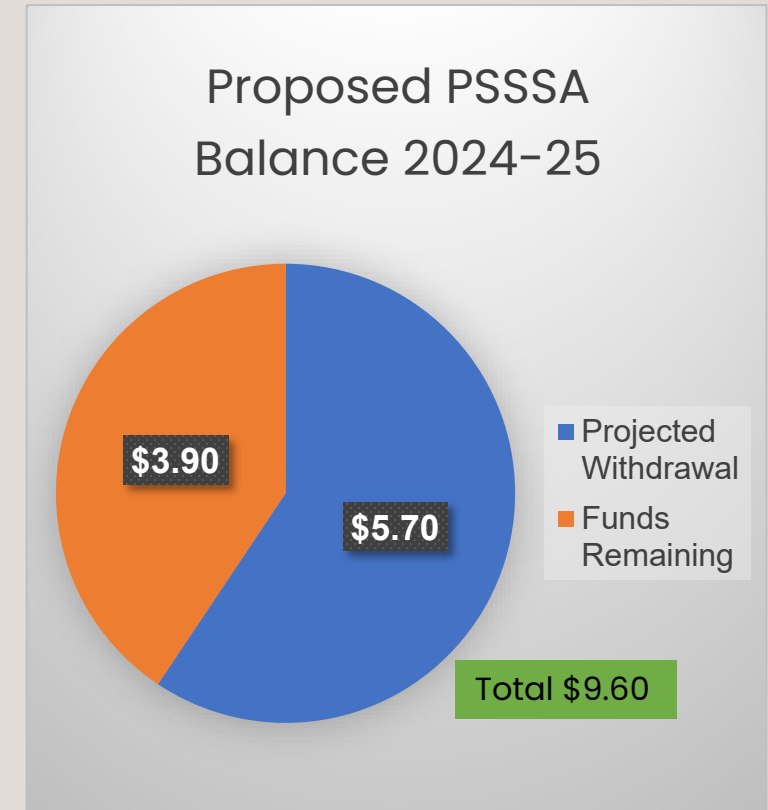
Approved by voters in 2014 as Proposition 2

### Deposits

- Required when the state projects capital gains revenue exceed 8% of total General Fund revenue AND Test 1 is operative
- May be suspended if the Governor declares a budget emergency

### Withdrawals

- **Required** when the Prop. 98 guarantee is below the prior-year funding level, as adjusted for student attendance and inflation
- **Permitted** when the Governor declares a budget emergency
- There is no limit on the amount of funds that can be withdrawn at one time



*Dollars in billions*

# Overview of Governor's 2024-25 State Budget

## Continues Ongoing Commitments to Recent State Investments

### Universal Transitional Kindergarten

\$330 million to expand TK to children born September 2 – June 2

\$220 million to fund a 12:1 student to teacher ratio

### Arts and Music in Schools (Prop. 28)

\$931 million in General Fund rebenched to Prop. 98

### Special Education

Maintains \$3.5 billion in ongoing investments

### Expanded Learning Opportunities Program

Maintains \$4 billion in ongoing annual investments

### Zero Emission School Buses Grant Program

Maintains \$500 million one-time Prop. 98 funding

# Overview of Governor's 2024-25 State Budget

## Ongoing Commitments to Recent State Investments – Increased Funding

### Universal School Meals

\$122.2 million ongoing increase

### California State Preschool Program and Child Care

\$2.1 billion to fund 146,000 new subsidized child care slots

### Screening of Dyslexia and Reading Difficulties

\$25 million ongoing for training through the K-12 Mandate Block Grant

### Cradle to Career Data System

\$5 million increase

### Homeless Education Technical Assistance Centers

\$1.5 million increase

# Overview of Governor's 2024-25 State Budget

## Proposed Delays and Reductions Impacting Schools

### School Facilities Program

Decrease of \$500 million to planned investment

### CA Preschool, TK and Full Day Kindergarten Facilities Grant Program

Delays planned \$550 million investment to 2025-26

### Extreme Heat and Community Resilience Program

\$40.1 million reduction and shifts additional \$70 million to federal Greenhouse Gas Reduction Fund (GGRF) and delays funds to 2024-25

### Urban Greening

Shifts \$23.8 million to Greenhouse Gas Reduction Fund and delays to 2024-25

### Preschool Inclusion Grants

Delays \$10 million until 2026-27

# Overview of Governor's 2024-25 State Budget

## Proposed New Policies and Funding

### Instructional Continuity

- Allow LEAs to claim attendance recovery time for ADA and chronic absenteeism reporting
- Require LEAs to provide remote/hybrid instruction or support to enroll in a neighboring LEA for emergency closures of 5+ days
- Encourage LEAs to provide hybrid/remote for students who are unable to attend school

### Learning Recovery Emergency Block Grant

- Changes allowed use for unexpended allocated funds to address the needs of students most impacted by learning loss

### Mathematics Coaches

- \$20 million in one-time funding for County Offices of Education to develop and provide training for math coaches



# Overview of Governor's 2024-25 State Budget

## Proposed New Policies and Funding

### Curriculum-Embedded Performance Tasks for Science

- \$7 million in one-time funding to support inquiry-based instruction and assessment

### Career Technical Education for Elementary Arts and Music Teachers

- Directs the Commission on Teacher Credentialing to create a new Elementary Arts and Music Education authorization for elementary grades in addition to grades 7-12

### Children and Youth Behavioral Health Initiative Wellness Coaches

- \$9.5 million, increasing to \$78 million in 2027-28, to establish the wellness coach benefit in Medi-Cal starting January 1, 2025

# Overview of Governor's 2024-25 State Budget

## New Policies and Funding, cont.

### Establish an Inclusive College Technical Assistance Center

- Facilitate collaboration between LEAs and higher education to support student transitions to postsecondary
- Assist LEAs with the identification of funding sources and student financial aid opportunities

### Streamline Educator Workforce Pipeline

- Recognize completion of a bachelor's degree as satisfying the basic skills requirement
- Improve transcript review to certify subject matter competency

### Develop the Governor's Master Plan for Career Education

- Optimize delivery of existing investments and develop policy proposals
- Scheduled for publication in the Winter of 2024

# Los Angeles Unified Advocacy Priorities

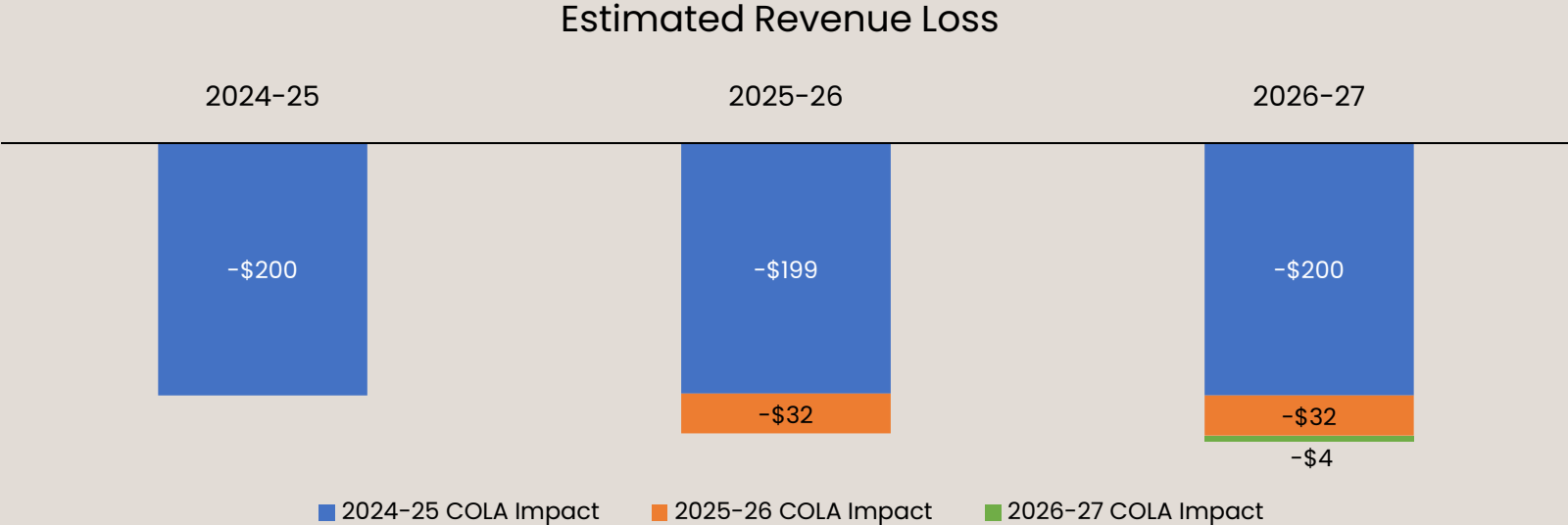
## Emerging Topics for Advocacy

- Higher Cost of Living Adjustment
- Support maximum flexibility of one-time or ongoing Prop. 98 funding
- Advocate for flexibility and relief from potential penalties during UTK expansion
- Advocate for flexibilities in the Expanded Learning Opportunities Program to better serve students
- Support investments in school facilities construction, modernization, and greening projects
- Mandatory Kindergarten legislation
- Others as new issues emerge

# Implications for Los Angeles Unified

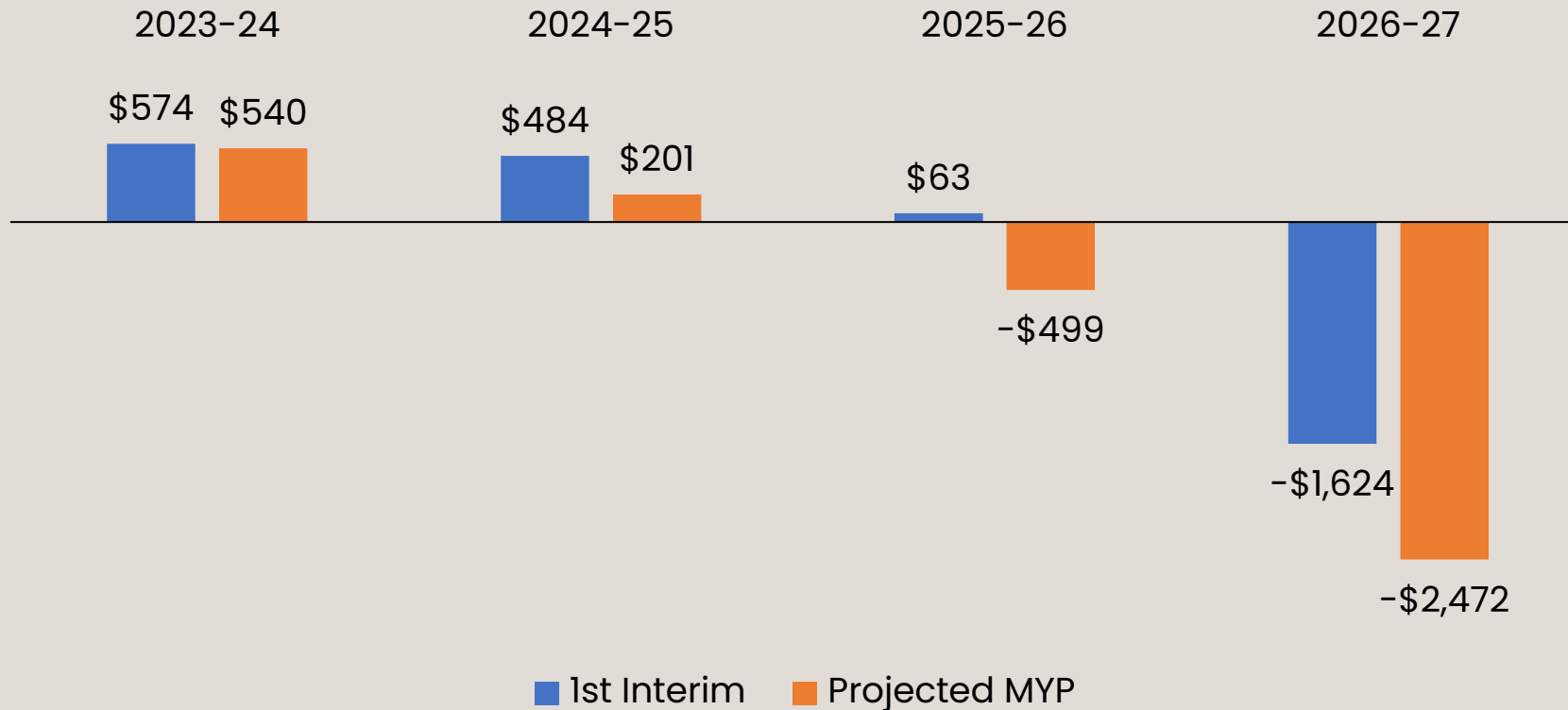
COLAs in 2024-25, 2025-26, 2026-27 lower than previous projections:

	Previous Projection	Governor's Proposed Budget	Difference
2024-25 COLA	3.94%	0.76%	-3.18%
2025-26 COLA	3.29%	2.73%	-0.56%
2026-27 COLA	3.19%	3.11%	-0.08%



# Implications for Los Angeles Unified

Unassigned/Unappropriated Ending Balances  
(Amounts in millions)



Fiscal impacts reflected through 2026-2027:

- 2024-25 Statutory COLA at 0.76%: **-\$600M**
- 2025-26 Statutory COLA at 2.73%: **-\$64M**
- 2026-27 Statutory COLA at 3.11%: **-\$4M**
- Cost of CSEA Agreement: **-\$182M**

# 2024 Key Budget Dates

January 10	Governor's 2024-25 State Budget proposal released
February 13 to April 5	School Budget Development
May 15	Governor's updated May Revision budget proposal released
June 15	State budget bill must pass in the Legislature
June 18	Public hearing for proposed Los Angeles Unified LCAP and Budget
June 25	LAUSD Board adoption of proposed LAUSD LCAP and Budget
Mid-August	45-day LAUSD Budget revision, if needed