

Research Brief

July 25, 2023

State budget for 2023-24 protects public education with ongoing funding; staffing crisis requires more support

Governor Newsom and the state Legislature came to an agreement in late June on a budget for 2023-24 that includes \$225 billion in general fund expenditures while addressing a \$31.7 billion deficit. The Proposition 98 funding minimum guarantee is \$108.3 billion in 2023-24, which is less than what last year’s enacted budget assumed, but slightly higher than the revised guarantee for 2022-23.

Spending for K-12 education totals \$129.2 billion (including funds from all sources) while the Community College budget totals \$13.5 billion, including \$12.5 billion in Prop. 98 funds). Core areas of the K-12 and Community College systems’ budgets were increased by a statutory COLA of 8.22 percent and most of the previously proposed cuts to one-time funding were avoided. The University of California and CSU systems received core funding increases of 5 percent.

Despite the overall shortfall, this year’s budget continues to build the state’s reserves. This year, the reserves will reach an all-time high of \$37.8 billion; this includes deposits of \$22.3 billion into the Budget Stabilization Account (California’s Rainy Day Fund), \$900 million to the Safety Net Reserve, \$3.8 billion to the discretionary reserve (the Special Fund for Economic Uncertainties), and \$10.8 billion into the Proposition 98 Reserve, officially known as the Public School System Stabilization Account. The 10% cap on most districts’ reserves will continue to be in effect this coming year.

The package includes budget bills (AB 102 and SB 101) and numerous trailer bills, including AB 116 (Early Childcare and Education), SB 114 (Education Finance: Education Omnibus), SB 115 (Arts and Music in Schools), SB 117 (Higher Education). Additional trailer bills are expected in August and September.

PROPOSITION 98

	2023-24 BUDGET	NOTES
Prop. 98 Funding	Proposition 98 funding for 2021-22 and 2022-23 is revised from the budget act last year and then calculated to increase slightly in the budget year. For 2023-24, Prop. 98 funding is \$108.3 billion. Test 1 is in effect in all three years, setting the minimum at about 88.5% of the state’s general fund revenues plus local property tax revenues.	2021-22 – \$110.6 billion (was \$110.2) 2022-23 – \$107.4 billion (was \$110.4) 2023-24 – \$108.3 billion
Public School System Stabilization Account (PSSSA)	A total of \$7.5 billion will be deposited into the PSSSA across the three years in the budget, leaving a balance of \$10.8 billion at the end of 2023-24. This reserve, also known as the “Proposition 98 Rainy-Day Fund,” was established with the passage of Proposition 2 in 2014.	For 2023-24, the deposit is estimated at \$902 million
Local Reserves	A 10% cap on local district reserves is triggered based on the reserve balance and applies to all districts except for basic aid districts and districts with ADA of 2,500 or less.	Applies to K-12 districts, but not community colleges

Prop. 98 Rebenching for TK	The Prop. 98 minimum guarantee is “rebenched” to account for the continued rollout of universal transitional kindergarten.	\$597 million is allocated to fund the second year of the TK expansion in 2023-24
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EARLY CHILDHOOD EDUCATION

	2023-24 BUDGET	NOTES
COLA	The COLA for the state preschool provider rates is suspended for the 2023-24 and 2024-25 fiscal years. Child Care Nutrition programs receive the 8.22% COLA.	Funding is instead allocated as noted below
State preschool hold harmless funding	Extension of hold harmless funding through September 30, providing reimbursement for a child’s maximum authorized care.	
State preschool provider rates	Budget includes \$2.83 billion one-time funds to support higher child care and preschool rates in 2023-24 and 2024-25. Funds are from federal and state general fund sources (\$1.67 billion) and from Prop. 98 (\$1.16 billion).	Rates will be set subject to collective bargaining agreement
State preschool family fee reform	Beginning October 1, 2023, family fees will be limited to 1% of a family’s monthly income; no fee will be charged for families with adjusted monthly income below 75% of the state median income. Family fee debt that is accrued and uncollected as of October 1 will be forgiven.	\$78.4 million from non-Prop.98 funds
Eligibility for State Preschool and TK	Eligibility is streamlined for 3-and 4-year olds.	
Inclusive Early Education Expansion Program	Multiyear plan to require state preschool programs to serve at least 10% of students with disabilities over the next few years is delayed, with expansion for 2023-24 and 2024-25 delayed to 2025-26 and 2026-27.	Funding cut / delay
Early Childhood Planning and infrastructure	Delays \$550 million planned for 2023-24 State Preschool, Transitional Kindergarten, Full Day Kindergarten facility funding to the 2024-25 budget.	Funding cut / delay
Universal Transitional Kindergarten	TK expansion for 2023-24 offers TK to four year-olds whose fifth birthday is between Sept. 2 and April 2, inclusive. Approximately 29,000 children become eligible and Prop. 98 funding includes \$597 million to support the expansion. \$165 million supports the new TK classroom ratio for the 2023-24 expansion. Starting in 2025-26, the adult to student ratio will be lowered to 1:10 in all TK classrooms. The TK ratio add-on to the LCFF is \$3,044 per TK ADA, and it is be adjusted by COLA. Credentialed teachers must have earned 24 units or equivalent, or a child development teacher permit, or an early childhood education specialist credential by August 1, 2025 – deadline extended from 2023 to 2025.	Funding revised (down) at \$357 million for the 2022-23 enrollment expansion and \$283 million for the staffing ratio in 2022-23. Average TK class size of 24 students and classroom ratios of 12 students to 1 adult are required
Early TK Enrollment	Budget allows enrollment of children with a 4 th birthday between June 2 and Sept 1 in TK as early enrolment if four criteria are met: the district must concurrently offer	Early enrollment TK students do not generate ADA and noncompliance has financial penalties

enrollment in the state preschool program, if state preschool is offered; the classrooms serving early enrollment children must meet a 1:10 adult to student ratio and maintain class size that is 20 or fewer students; assigning teachers with early education credits or experience into any classrooms with early enrollment children should be prioritized.

K-12 EDUCATION

	2022-23 BUDGET	NOTES
COLA	Statutory COLA is 8.22% for 2022-23.	Applies to the LCFF and most categorical programs outside of the LCFF
Local Control Funding Formula (LCFF)	The LCFF base grant is increased by the 8.22%. The total LCFF funding is \$3.4 billion above the adjusted 2022-23 funding. Supplemental grants are 20% of the base grant and Concentration grants are 65% of the base grant. TK Add-On is \$3,044 per ADA, to support staffing ratio of 12 students per adult.	LCFF funding totals \$79.8 billion
Equity Multiplier	New add-on to the LCFF, funded with \$300 million, to close opportunity and outcome gaps; COLA will be applied starting 2024-25. Funds allocated per student based on school's prior year adjusted cumulative enrollment; minimum of \$50,000 per school. Eligibility based on nonstability rate (>25%) and socioeconomically disadvantaged pupil rate (>70%). Nonclassroom based charter schools are excluded. Funding is for evidence-based services and supports; Funds must supplement and not supplant funding from LCFF, ELOP, Literacy Coaches and Reading Specialist Grant Program, and CA Community Schools Partnership.	Nonstability rate based on percent of students enrolled for <245 continuous days or exited school in prior year without stable subsequent enrollment elsewhere. Socioeconomically disadvantaged includes: neither parent has HS diploma; eligible for free or reduced meals; meets federal migratory child definition; homeless; foster youth; enrolled in county juvenile court school
LCAP Updates	Changes included in trailer bill require a midyear update on implementation of current-year LCAP on or before Feb. 28 that includes all available midyear outcome data and expenditure and implementation data; long-term English learners – defined as one who has not attained proficiency within 5 years of initial classification -- must be accounted for separate from English learners; actions related to differentiated assistance work must be included in LCAP; actions and expenditures must have a metric for monitoring intended outcome; required goals in the 2022-23 and 2023-24 LCAP are deleted; actions to address red performance levels on dashboard required; focused goals for schools receiving Equity Multiplier funds required; and actions not effective over a three year period must be changed.	Changes included in AB 181 trailer bill See also changes for COE LCAPs
Categorical funding	Most of the remaining categorical programs that are outside of the LCFF receive a COLA of 8.22%. This includes: Youth in Foster Care, American Indian Early Childhood Education Program, American Indian Education Centers, Child Nutrition Program, Mandate Block Grant, Adult Education, State Preschool, Special Education, Adults in Correctional Facilities, Charter School Facility Grant Program.	\$556.3 million to support these programs

Learning Recovery Emergency Block Grant	\$7.9 billion, one-time funds included in the 2022-23 budget and the 2023-24 budget cut this to \$6.8 billion, with intent to restore funding in the 2025-26 through 2027-28 fiscal years. Funds were already received by districts in 2022-23, so funds were 'over-appropriated' by 14%. See SB 114.	Funding cut / delay. Funds can be used through 2027-28 school year. Expenditure reporting will be required
Arts, Music, and Instructional Materials Discretionary Block Grant	\$3.6 billion, one-time funds included in the 2022-23 budget and the 2023-2 budget cut this by \$200 million, to \$3.4 billion. Half of the initial funds were distributed in Dec. 2022, remaining expected in Sept. 2023.	Funding cut / delay. Funds can be used through June 30, 2026. Governing board must discuss and approve expenditure plan
Arts and Music in Schools (Prop. 28)	Funds must supplement and not supplant existing funds and be used for arts education; at least 80% should be spent on staffing for arts education instruction. LEA will have 3 years to spend funds and date of first apportionment is unclear. Funds to be allocated through the Principal Apportionment and may be subject to submission of required expenditure reports. See SB 115.	\$938 million estimated for 2023-24 Further guidance on implementation is needed from state
Expanded Learning Opportunities Program (ELOP)	ELOP funding to support comprehensive before, after, and summer school opportunities for TK-6 students is unchanged at \$4 billion ongoing, but new changes are adopted. Starting in 2023-24, ELOP will be part of annual audit. New clarifications added that child daycare facility license not required, but 3 rd party ELOP providers with license on June 1, 2023 must maintain license until June 30, 2024; new information must be submitted for 3 rd party offsite programs; new reporting required by CDE based on this information and by SSPI regarding ELOP providers and contracts with LEAs.	Funds from 2021-22 and 2022-23 available through June 30, 2024; Changes to ELOP are in SB 114
After School Education & Safety (ASES)	\$3 million one-time federal funds for Save the Children, supporting after school programs in rural districts.	
Nutrition – Universal Meals	\$154 million ongoing funds and \$110 million one-time funds to fully fund universal access to subsidized meals in 2022-23 and 2023-24.	Anticipates funding 800 million meals in 2023-24
Kitchen Infrastructure	\$15 million one-time funds for commercial dishwasher grants for LEAs.	
K-12 School Facilities	School Facility Program is funded with \$2 billion one-time funds, which is \$100 million less than expected.	Funding cut
Educator Workforce	Teacher and School Counselor Residency Grant Program – increases allocation from \$25,000 to \$40,000 per candidate to support minimum stipend or salary of \$20,000. Golden State Teacher Grant Program -- \$6 million one-time federal funds for grants to teacher candidates in special education teacher prep and agree to teach at a high-need school site. Other policy changes include allowing teachers unable to take Teaching Performance Assessment during COVID to finish credential through a CTC induction program or two years of satisfactory teacher evaluations; authorizing CTC to issue CA credential to eligible US military servicemembers or spouses.	
Literacy Programs	\$250 million one-time funds for a Literacy Coaches and Reading Specialists Grant Program; LEAs must begin	Available for use through June 2028

screening students in K-2 for risk for reading difficulties including dyslexia starting in 2025-26; \$1 million one-time funds to convene panel of experts to create approved screening instruments.

\$1 million one-time funds to create literacy roadmap for educators to navigate resources.

Zero-Emission School Bus Grants	\$1.125 billion to support zero-emission school buses and \$375 million for charging or fueling infrastructure was in the 2022-23 budget, with the intent that it be available starting in 2023-24. The budget act cuts \$750 million from the bus grants and \$250 million from the infrastructure funds, with the intent to restore these funds starting in 2024-25.	\$1 billion funding delay
Opioid Overdose Reversal Medication	\$3.5 million ongoing funds to maintain at least two doses of opioid overdose medications at all middle, high, and adult school sites.	
K-12 High Speed Network	Increases ongoing funds by \$3.8 million.	
School Climate and Safety	\$119.6 million one-time federal funds for the Stronger Connections Program, to support LEA activities related to school climate and safety improvement.	
Other Professional Development	\$20 million one-time funds to support Bilingual Teacher Professional Development. \$1 million ongoing funds for LA COE to support professional development training related to antibias education and inclusive and equitable schools. \$10 million one-time funds for Diverse Educators Pipeline Initiative for mentorship to teachers to become school administrators.	Available through 2028-29 See AB 104
Other initiatives with one-time funding	\$7 million to implement best practices in restorative justice (per AB 2598); \$2 million for the CA School for the Deaf in Fremont; \$1 million to implement social emotional learning practices through the Beyond Differences organization; \$632,000 to backfill reduced property tax revenues to some basic aid districts impacted by Kincade Fire;	

COUNTY OFFICES OF EDUCATION

	2022-24 BUDGET	NOTES
COLA	County Offices of Education operations grant receives the 8.22% COLA. LCAP Support receives 8.22% COLA	LCAP support is greater of \$24,028 per district or \$102,808
Operations Grant	Base amount per county will be \$872,151 and amount per district in county will be \$347,167. Operations grant rates per ADA also will increase.	
Alternative Education Grant	New funding formula is adopted, with a base grant, supplemental grant (35% of base grant for all eligible students including juvenile court school students); and concentration grant (35% of base grant for eligible students exceeding 50% of enrollment or 17.5% for juvenile court students). \$80 million ongoing funds to support.	Base grant: \$16,395 Supplemental grant: \$5,738 Concentration grant: \$5,738/\$2,869

Court and Alternative Schools	New funding formula provides increase to ongoing funding for court and alternative schools, plus \$200,000 provided for each COE with at least one community school and \$200,000 for at least one juvenile school; Student Support and Enrichment Block Grant of \$3000 per alternative education grant ADA to offer support and enrichment opportunities. New standards will be required for intake and transition plans, higher education offerings, and data reporting.
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Differentiated Assistance	Base increase of \$100,000 to COEs.
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LCAP Updates	Starting in 2025-26, the Budget Overview for Parents must incorporate Alternative Education Grant funds and Student Support and Enrichment Block Grant funds. Additional changes due by March 15, 2024 from LAO for increased transparency of COE operations, programs and goals, responsibilities and activities, and methods for shortening and simplifying the LCAP.
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SPECIAL EDUCATION

	2023-24 BUDGET	NOTES
COLA	Special education funding receives the 8.22% COLA. The base rate is increased to \$887 per ADA, unless SELPA previously funded at higher rate.	
SELPA moratorium	Moratorium on new single-district SELPAs is extended from June 30, 2024 to June 30, 2026	
Transparency	Requires CDE to post each SELPAs annual local plan, including governance, budget, and services plans.	
Pass Through Minimums	Limits amount of funding that SELPAs can retain for non-direct student services before allocating base funding to member LEAs.	

CAREER TECHNICAL EDUCATION

	2023-24 BUDGET	NOTES
Other funding	No new programs or funding is dedicated to CTE specifically, but other ongoing budget items that can provide funding for CTE include the Arts, Music, and Instructional Materials Block Grant, the Golden State Pathways Program, CTE Pathways for Dual Enrollment.	

CHARTER SCHOOLS

	2023-24 BUDGET	NOTES
COLA	The 8.22% COLA apply to the LCFF base grant.	
LCAP	Beginning with LCAP adopted for 2023-24, charter schools must present a midyear report on the LCAP Annual Update and Local Control Funding Formula Budget Overview for Parents on or before February 28 of each year.	Consistent with changes for Districts and COEs

Renewal extension	The 2021-22 budget provided all charter schools whose petitions would have expired on or between January 1, 2022, and June 30, 2025, an automatic two-year extension of their charter petition term. The 2023-24 budget extends terms by another year for charter schools whose term expires January 1, 2024, and June 30, 2027.	See SB 114
Abuse of discretion appeals	Policy change stating the State Board of Education can only reverse a denial of a charter petition if it determines that both the county board and school district abused their discretion. Also clarifies that abuse of discretion is the most deferential standard of review and, therefore, the SBE must give deference to the decisions of the two governing boards to deny the petition.	See SB 114
Moratorium on Nonclassroom-Based charter schools	Moratorium on new nonclassroom-based charter schools Extended again to January 1, 2026. Also requires LAO and FCMAT to study process for determining funding for nonclassroom based charter schools, with report due by March 1, 2024.	
Charter School Facility Grant	\$30 million to support facilities costs, as intended in 2022 Budget.	

ADULT EDUCATION

	2023-24 BUDGET	NOTES
COLA	Adult education receives 8.22% COLA, for an increase of \$19.1 million, for a total of \$652.2 million.	Funded through Community Colleges

CLASSIFIED EMPLOYEES

	2023-24 BUDGET	NOTES
Classified School Employees Summer Assistance Program	Continues funding of \$90 million	LEAs must opt-in to participate and must notify employees by January 1 if participating
Classified Employee Summer Assistance Program – Community Colleges	Continues funding of \$10 million ongoing funds, in second year of this program. At participating districts, eligible classified employees who work 11 months or fewer with regular pay up to \$62,400 can have up to 10% of monthly pay withheld for payout during summer, with prorated matching funds from state.	
Classified School Employees Credentialing Program	Funding from 2021-22 budget included \$125 million one-time Prop. 98 funds to support this program, which assists classified employees attain teaching credentials. The program eligibility includes expanded learning and early childhood education program staff.	Funds available over five years, through June 30, 2026. No new or additional funds added
Electric School Bus Grants	Initially funded in the 2021-22 budget, \$1 billion of these unspent funds are delayed to the 2024-25 and 2025-26 year.	
Transitional Kindergarten	New staffing requirements call for an additional certificated or classified staff person to every TK class, and an adult to student ratio of 1:10 will be required in 2025-26 at the latest.	

TK classes with Early Enrollment children will require the 1:10 ratio in 2023-24.

Other funding Other budget items that will support Classified employees include the ELOP, universal meals, and the TK expansion will also have impacts for Classified employees.

COMMUNITY COLLEGES

	2023-24 BUDGET	NOTES
COLA	The 8.22% COLA applies to the community college apportionments. The SCFF rates and many categorical programs are also increased by the COLA.	\$790 million to support COLA
Share of Proposition 98	The share of the Prop. 98 funding to the community colleges is at or above the traditional share 10.93% in 2023-24 budget act.	2023-24: \$12.46 billion Prop. 98 funding; 1% above the 2022-23 revised funding of \$12.33 billion
Student Centered Funding Formula (SCFF)	\$678 million supports the COLA as applied to the SCFF. Total SCFF funding increases by \$807 million over the 2021-22 enacted budget.	SCFF rates increase totals 12.5%; Total Basic Allocation (for colleges and centers) increase is 36.8%; SCFF Funding increase is 10.2%
Enrollment	\$26.4 million ongoing funding is included to support 0.5% growth. \$50 million one-time funds included for retention and enrollment efforts but \$55.4 million from the 2022-23 budget for the same purposes is cut.	2022-23 funds cut from \$150 million to \$94.6 million
Deferred Maintenance	Cuts \$500 million of the \$840 million allocated in 2022-23 for deferred maintenance and energy efficiency projects, and also adds \$5.7 million in 2023-24 for the same.	Net available funds are \$346.4 million from the 2022-23 and 2023-24 budgets
Flexibility in Use of Funds	Districts will have flexibility in how they spend funds from the 2022-23 budget: funds remaining from the \$650 million COVID-19 Recovery Block Grant, deferred maintenance and instructional equipment funds, and student retention and enrollment funds can be spent for any of these purposes. Strong Workforce funds may be used to cover third part certification and licensing fees.	Earlier proposals to give flexibility in spending funds from Student Equity and Achievement, Financial Aid Administration, and Student Mental Health were rejected in the final budget agreement
Part-Time Faculty	\$200 million ongoing funding for PT Faculty healthcare continues. PT Faculty compensation funding continues at \$26.5 million and PT Faculty office hours funding continues at \$23.6 million.	Total funding for PTHC is \$200.5 million
Categorical Programs	Funding for many programs outside the SCFF are increased by the 8.22% COLA. These increases include: EOPS (\$13.9 million); DSPS (\$13.1 million); NextUp foster youth program (\$4.1 million); Umoja (\$0.7 million); MESA (\$3.0 million); Puente (\$1 million); CARES (\$2.5 million); CalWORKS Student Services (\$4.2 million); Mandates Block Grant (\$2.2 million); Basic Needs Centers (\$3.3 million); Student Mental Health Services (\$2.5 million); Homeless and Housing Insecurity Program (\$1.6 million); Childcare Tax Bailout (\$0.3 million)	
Apprenticeships	Funding is increased by COLA but reduced by a net \$4.9 million for technical adjustments.	\$64.3 million total after adjustments

Classified Employee Summer Assistance Program	\$10 million ongoing funds to continues summer bridge program for community colleges classified employees.	See section on Classified Employees
LGBTQ+ Pilot Program	\$10.3 million one-time funds for the next three years to support LGBTQ+ student support centers.	Up to \$900,000 per district
Calbright College	No new, additional funding and no elimination of the College.	\$15 million ongoing from prior year budgets
Full-time faculty hiring	No new funding, program is funded with \$150 million ongoing. Trailer bill language requires reporting by each district on progress towards increasing the percentage of instruction by FT faculty and increasing faculty diversity; reports due by March 31 starting in 2024. Data must include: number and percentage of instruction taught by FT faculty, units and FTES taught by FT faculty; demographic characteristics for FT and PT faculty; PT faculty who apply and are offered FT positions, and more. Data to be used for systemwide report and to inform policy guidance.	Details of report requirements in SB 117
Financial Aid	Student Success Completion Grant award amount is increased to \$5,250 per semester for eligible students who are current or former foster youth	Amounts for other students is unchanged
Workforce Training Grants	\$14 million one-time added for collaboration with the CA Dept of Forestry and Fire Protection.	
Student Housing	Budget changes how several higher education student housing projects will be funded, shifting funds to bonds with the state general fund supporting debt service. Community college student housing construction projects approved will use local revenue bonds: Cabrillo, Riverside, Merced, San Diego, Cerritos, San Mateo, Redwoods.	
CA Student Housing Revolving Loan Fund	Provides zero-interest loans for student, faculty, and staff affordable housing.	\$50 million is available to community college applicants

UNIVERSITY OF CALIFORNIA

	2023-24 BUDGET	NOTES
Base Funding	\$215.5 million for a 5% increase to ongoing base funding.	From State General Fund
Enrollment	\$30 million increase to offset revenue reductions from replacing 902 nonresident undergraduate students at 3 campuses with CA resident students.	Consistent with 2021-22 budget agreement
Financing of Campus Projects	\$498 million in funding expected for UC Berkeley Clean Energy campus project, and the UC Merced and UC Riverside campus expansion projects is cut and replaced with \$33.3 million to support debt service on UC bonds that will support these projects.	
Graduate Medical Education	\$5.1 million increase to offset declining Prop 56 revenue, for graduate medical residency slots.	Ongoing funding
Capital Outlay	Support for the Institute for Immunology and Immunotherapy at UCLA expected in 2022-23 and 2023-24 will be delayed to 2024-25.	Intent language for 2024-25

Student support	\$800,000 for student basic needs, increasing total ongoing funds to \$15.8 million; \$1 million increase to student mental health services, for a total of \$21.3 million;
Campus funding	\$3.5 million in ongoing funds and \$23.1 million one-time funds for various programs at UC campuses.
Faculty Diversity	\$4 million one-time funds for Cal Bridge Initiative to improve faculty diversity.
Student Housing	\$490 million for affordable student housing projects at UC campuses will be cut and replaced with \$33.5 million to support debt service on UC bonds that will support these projects.
Other funding	Includes \$5 million for the Ralph J. Bunche Center for African-American Studies at UCLA; \$2 million ongoing funds for UC Riverside School of Medicine; \$2 million increase for a pilot UC Global Entrepreneurs residency project.

CALIFORNIA STATE UNIVERSITY

	2023-24 BUDGET	NOTES
Base Funding	\$227.3 million for a 5% increase to ongoing base funding.	From State General Fund
Financing of capital projects	\$329.8 million cut and replaced by \$43 million to support debt service on projects that will be funded through CSU bonds – projects include CSU Bakersfield Energy Innovation Center; SDSU Brawley Center; CSU Fullerton Engineering and Computer Science Innovation Hub; CSU San Bernardino Palm Desert Campus project; Swanton Pacific Ranch infrastructure with Cal Poly SLO.	
Student Supports	\$1.3 million increase to support student basic needs, for a total of \$26.3 million ongoing funds; \$800 million increase for student mental health for a total of \$158 million ongoing funds; \$300,000 increase for Rapid Rehousing for a total of \$6.8 million; \$1 million for services for students with disabilities. =	
Student Housing	\$655 million for student housing projects at CSU campuses will be cut and replaced with \$52 million to cover debt service on CSU bonds that will support these projects.	
Other funding	\$15 million one-time funds for improvements to CSU Dominguez Hills; \$1 million one-time funds to improve CSU's Title IX and Discrimination, Harassment and Retaliation programs.	

Additional information

CALSTRS/CALPERS EMPLOYER CONTRIBUTION RATES

The employer contribution rates for 2023-24 are final, and rates for the out years are estimates, to be determined by the respective boards.

	2023-24	2024-25	2025-26	2026-27
CalSTRS	19.10%	19.10%	19.10%	19.10%
CalPERS	26.68%	27.70%	28.30%	28.70%

STATUTORY COLA: ACTUAL AND PROJECTED[^] RATES

	2022-23	2023-24	2024-25	2025-26	2026-27
COLA	6.56%	8.22%	3.94%	3.29%	3.19%

[^]Rates for 2024-25 and forward are estimates from the Department of Finance.

UNEMPLOYMENT INSURANCE RATES

The School Employees Fund (SEF) is a joint, pooled-risk fund administered by the EDD, which collects contributions based on a percentage of total wages paid by public schools and community college districts. The SEF reimburses the Unemployment Insurance (UI) Fund for the cost of UI benefits paid to former school employees.

	2022-23	2023-34	2024-25	2025-26	2026-27
Unemployment Insurance Rate	0.5%	0.05%	0.05%	0.05%	0.05%

*The Unemployment rate in 2023-24 is back to pre-pandemic rate and is final based on determination by the Employment Development Department; the subsequent years' rates are subject to actual experience of the pool and will be calculated in accordance with California Unemployment Insurance Code Section 823(b)(2).

FOR ADDITIONAL INFORMATION, CONTACT:

Aimee Shreck Research Director ashreck@cft.org

Tiffany Mok Legislative Advocate tmok@cft.org

Telephone (916) 446-2788