

ITEM 7
LEGISLATIVE UPDATE
2017 LEGISLATION

Commission staff continues to monitor for legislation that affects the mandates process:

AB 268 – State Mandates

AB 268 was introduced by Assembly Member Walderon on February 1, 2017. This bill proposes a technical, nonsubstantive change to Government Code section 17552, which currently addresses the process by which local agencies or school districts may claim reimbursement for state mandated costs.

AB 268 appears to be a spot bill and could be amended in the future to propose substantive changes. According to the author's office, they currently have no intent to pursue changes to the mandates process with this bill.

The Education Omnibus Trailer Bill

The Education Omnibus Trailer Bill would not affect the mandates process but staff notes that it would revise the list of programs that are authorized for Block Grant funding in lieu of program-specific reimbursement as listed in the budget.

2017-2018 Budget: May Revision

On May 11, 2017, the Governor issued the *2017-18 May Revision* to his budget. The *May Revision* includes almost \$750 million in additional funds, providing more than \$1 billion in one-time discretionary funding to schools in 2017-18, which shall first be used to fund any mandated costs. It is anticipated that these resources, coupled with more than \$4.8 billion in one-time Proposition 98 funding provided to schools over the last three budgets for the same purposes, will reduce the outstanding mandate debt owed to local educational agencies to \$1.3 billion.

The *May Revision* added \$15,000 to the Commission's proposed operating budget to account for increased salary and benefits included in the new Bargaining Unit 1 and 4 MOUs.