



UPCOMING EVENTS

CASH Web-Shop:

The Governor's Budget,
Federal Funding
Expectations and Local
Issues

January 26, 2023

**CASH Happy
Hour/Networking Mixer**

February 2, 2023

4:00 p.m. – 6:00 p.m.

Sponsored by HMC

*Architects, Flint Builders &
Saiful Bouquet*

Le Papagayo, Carlsbad

**CASH Coffee/Networking
Mixer**

February 7, 2023

8:30 a.m. – 10:30 a.m.

Sponsored by Astroturf

*Old Soul Coffee Co.,
Sacramento*

**44th Annual Conference
on School Facilities**

February 22-24, 2023

*Sacramento SAFE Credit
Union Convention Center*

Visit the CASH website
(www.cashnet.org) for
more information and to
register for these events!

UPDATE

Legislative Session Begins

On January 4th, the Legislature reconvened for the 2023 session. The 32 newly-elected Senators and Assembly Members are busy learning their new roles, as are the newly-appointed committee chairs and leadership team members in both houses. In this early part of the year, Legislators are focused on developing their packages of legislation prior to the bill introduction deadline of February 17th. CASH staff are engaged in conversations with many Legislators who are considering introducing bills related to school facilities, and we are providing new Members with an overview of the school facilities issues they will encounter.

Governor Releases Proposed Budget

On January 10th, Governor Gavin Newsom released his proposed 2023-24 State Budget, which largely maintains funding commitments for education. As expected, the \$297 billion budget employs a variety of mechanisms, such as reductions, funding delays and shifts to reduce expenditures in response to a budget shortfall of at least \$22.5 billion caused by declining capital gains. The Senate and Assembly Budget Committees, and their respective subcommittees, will soon begin a series of hearings to discuss the Governor's proposals, request additional information, and stake out their own priorities.

School Facility Program

The Governor's Budget contains a decrease of \$100 million General Fund in planned support for the School Facility Program (SFP), taking the planned allocation in 2023-24 from approximately \$2.1 billion to approximately \$2.0 billion. The decrease is not surprising given the Administration's signaling throughout the Fall that commitments made for future years would be clawed back due to declining state revenues. CASH will continue to advocate for state support for the SFP to keep pace with projected need, be it through the State Budget, bonds, or a combination of these.

Transitional Kindergarten

The Governor's budget includes mixed news for implementing universal transitional kindergarten (TK). While he proposed to maintain the commitment to provide operational funding to support the planned implementation, the Governor proposes to soften the commitment to TK facilities funding.

The FY 2022-23 budget provided \$100 million (one-time General Fund) and committed an additional \$550 million in 2023-24 for TK, full-day kindergarten, and preschool facilities. The Governor's budget now proposes to delay the planned \$550 million from 2023-24 to 2024-25. CASH hopes this funding can be restored if the revenue picture improves.

The Governor proposes \$690 million in Proposition 98 operational funding to support the second year of TK expansion, increasing access to all children turning five years old between September 2nd and April 2nd (approximately 46,000 children). It also includes \$165 million to support one additional certificated or classified staff person in TK classrooms. Full implementation of universal TK is expected in 2025-26.

For the latest updates on important matters affecting school facilities, visit www.cashnet.org.
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